

THE TAXPAYER

Promoting the responsible and efficient use of tax dollars

Vol 9 no 5/97





NO MORE TAXES!

MANGAMA

BUTTON

MAGA DIFFERENCE

COLUMBIA'S PROVINCIAL DEBT

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Vol 9 no 5/97

TABLE OF CONTENTS

Canada's watchdog on government spending &	
taxation	. 4
Of Indians, racism and lunacy	. 8
Mobilizing an army of taxpayers .	10
Pushed to the limit: Taxpayers push back	11
What you can do - a taxpayers'	
action guide	12
www.taxpayer.com	14
National highlights & accomplishments	18

Information:

The Canadian Taxpayers Federation (CTF) is a federally incorporated, non-profit organization. Our three-fold mission is: 1) To act as a watch dog, and to inform taxpayers of governments' impact on their economic well-being; 2) To promote responsible fiscal and democratic reforms, and to advocate taxpayers' common interests; 3) To mobilize taxpayers to exercise their democratic responsibilities. Founded in 1990, the Federation is independent of all partisan or institutional affiliations and is entirely funded by free-will contributions. The Taxpayer is published six times a year and is mailed out from Regina to CTF supporters. For more information write: the Canadian Taxpayers Federation, #105 - 438 Victoria Ave. East, Regina, Sask., S4N ON7, or phone our toll-free number: 1-800-667-7933. All material in The Taxpayer is copyrighted. Permission to reprint can be obtained by writing the address above. Editorial cartoons are used by permission. Printed in Can-

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REPORT Chairman of the Board

s Chairman of the Board, I am pleased to report that your organization is succeeding in all respects. You are represented by an outstanding group of young people. They are dynamic, aggressive, and in the face of our political leaders.

Your organization is effective because CTF representatives meet with each of you at least once a year. Politicians and journalists know that we speak with authority. We have to see our supporters every vear. Our supporters have to voluntarily write non-tax deductible cheques to support the CTF. Our supporters give our public spokespeople weight. And weight is the key. So greet your field service representative as a good friend. Let him or her know your views and thoughts. These are then used to confront and challenge politicians and the media.

This has been a year of change. We lost Jason Kenney to a career in politics. He has moved on. So have we. New spokespersons and managers have brought fresh ideas and energy to the Taxpayers Federation. Some of the older staff people are now mentors to the new crop of high energy drivers that are working for you.

Your Federation is fiscally sound as well. Your auditor has reported a balanced budget for this past fiscal year ending June 30, 1997. The costs of supporting the Federation are of tremendous value. Staff costs are a bargain, given their effectiveness.

The Taxpayer is new and improved. Now it takes three weeks to calm down after reading it. This is 50% more than the two week average we used to achieve with our readers. Action. That is what we are after. The Taxpayer is your vehicle to get informed and then get active.

Current results indicate great success. Support in Ontario is up. Media pickup is up. Our leadership role is increasing.

And while we look to the future with optimism, we look at our past with pride. This issue is dedicated to what your Taxpayers Federation has accomplished in its brief seven year history.

As you go through these pages, one fact becomes abundantly clear. None of these successes could have been accomplished without your help. Whether it was people collecting names on petitions at flea markets and malls in Alberta; attending rallies in British Columbia or flooding politicians' offices with letters, phone calls and faxes in Saskatchewan, Manitoba and Ontario things simply would not have changed.

You are what makes the CTF different from any other group in Canada and the politicians know that.

But the battle isn't over. The fight for the fiscal and democratic health of this country goes on. Taxes are too high. Arrogance continues to govern many of our institutions and legislatures. But you can count on us to continue the fight. With your help we are succeeding.

MAKING A DIFFERENCE

The seven year history of the Canadian Taxpayers Federation

hen I went to work for the CTF in 1992 the organization was two years old. I was hired by the Federation to help organize its first national conference that would take place in Calgary in January 1993. Three of us occupied a small office above a bingo hall in the west end of Edmonton. For some reason the air conditioning was stuck in the "on" position year-round and the windows rattled at the hint of a breeze.

The next two offices I worked in weren't much better. In both Regina and, later in Victoria, shag carpets and wood panelling brought a whole new meaning to the term "grass roots." Technology was defined as the coffee maker and almost all our communication materials went out by mail.

Nearly six years later and I can report that our six offices across the country are now endowed with secure windows and modern technology. But I can also report that a lot remains the same.

Whether on staff or part of our field service operation, the vast majority of people I've worked with in the CTF are extremely dedicated individuals who hold deep convictions about the fiscal and democratic future of our country. This is one thing about the CTF that will never change.

We've held rallies, collected the signatures of hundreds of thousands of Canadians on petitions, distributed millions of news releases, commentaries and newsletters, and we've knocked on the doors of Canadians from coast to coast inviting them to



Troy Lanigan
National
Communications
Director
Victoria, B.C.

join in our cause. Our spokespeople have conducted tens of thousands of news interviews and have spoken at scores of events and government hearings. We have received wide recognition and even an international award for our successful advocacy work.

Of course we will always look to the future because there is so much more we need to do. But for the first time in our seven-year history we've decided to look back. Back to the days of shag carpet and wood panelling but also back to a time where a few very dedicated and hard working individuals built one of Canada's most prominent advocacy groups in less than a decade. This special issue of The Taxpayer is dedicated to those who have given so much to this organization and the larger movement it represents. We have played a significant role in reshaping political debate in Canada ... and heck, we have even wrestled a few pensions away from our politicians. Seven years from now I hope a retrospective issue on our organization is three times thicker than the one you are holding.

It was Emerson who wrote: "nothing great is achieved without enthusiasm." These pages re-invigorated my enthusiasm for the Canadian Taxpayers Federation, an organization I have been proud and honoured to have represented for the past five-and-a-half years. I hope it does the same for you. As always, we look forward to and encouraging your feedback.

International Award



At the Taxpayer Associations International (TAI) conference held in Budapest, Hungary, in June 1996, the Canadian Taxpayers Federation received an "Award of Distinction" for its outstanding accomplishments on the Canadian scene. Specifically, the Federation was recognized for its work in securing Manitoba's *Taxpayer Protection Act* - widely recognized as the country's most comprehensive taxpayer protection law. TAI, which was formed in 1989, is an international organization made up of 20 taxpayers' groups from 15 countries on five continents. The CTF, which has been a member of TAI since 1990, is the only organization ever to receive this award.

The Canadian Taxpayers Federation

Watchdog on government spending & taxation



hen you make the personal decision to support the Canadian Taxpayers Federation (CTF) you have made an important contribution to the fight against high taxes, wasteful spending, unresponsive and unaccountable governments. For too long, politicians of all partisan stripes have, for the most part, ruled unchecked. Sure, we have always had the opportunity to pass judgement at election time. But have you noticed that even though the faces look different and the names have even changed, in the end they all seem to sound the same? And that's why the CTF is so vital. We are here to not only keep a watchful eye on your hard-earned tax dollars, but provide you with the tools to hold your government accountable to their word and for the decisions they make. The following is a list of just some of the activities we undertake on your behalf in a given year.

1. FIELD OPERATIONS:

our first introduction to the CTF most likely came through a field service representative. Government takes nearly half of Canadians' income in taxes, therefore politicians have huge financial resources at their disposal. Similarly, we need contributions to fight big-spending governments. We have full-time professionals hired to raise income for our organization. These representatives have played an extremely vital role in the success of the CTF over the years. In addition to their fund-raising efforts, they keep us in touch with the issues personally affecting you and as well help keep you informed of the latest issues affecting taxpayers. They are also responsible for collecting names on the petitions that have played an important role in changing public policy.

2. SPEAKING OUT ON BEHALF OF TAXPAYERS:

he CTF employs spokespeople in five provincial capitals and in Ottawa who field literally dozens of media and public inquiries each day. CTF spokespeople and researchers make regular submissions to important government agencies, commissions and hearings in Ottawa and the provincial capitals. CTF spokespersons can be found on debate panels at conferences, on radio and TV programs like CBC's Faceoff. Other activities include our yearly participation in a mock budget exercise at the University of Saskatchewan, or appearing as regular guests on radio talk shows across the country, such as the popular Rafe Mair's show based in Vancouver. CTF spokespersons fre-

"Its members are united not by any political ideology, but by anger over government waste, incompetence, largesse and the inevitable result — ever increasing taxes."

Regina Leader Post, Sept.

1990

quently speak at luncheons and banquets.

3. THE TAXPAYER:

battle cry on newsprint," says the Vancouver Sun, "... filled with tax-related tidbits that convey a monster message of fiscal concern." Besides going to our approximately 80,000 supporters across Canada, a complimentary copy is sent to almost every federal and provincial politician in the country and many media outlets and personalities as well. In addition to exposing government waste and mismanagement, our publication offers solutions. Special sections of the magazine have been devoted to such issues as the benefits of citizen initiatives, the flat tax, reinventing municipal government, privatization and alternative service delivery. Taxpayer articles are often reprinted in newspapers across the country and stories have made it to the pages of Reader's Digest. Requests have come in to translate articles into Hungarian and Portuguese for distribution in those countries. But, perhaps our most popular section over the years is our list of businesses, individuals and organizations that have received government money. Much of this information is received through the dozens of freedom of information requests we make each year to the federal and provincial governments for information on how they spend your tax dollars.

4. NEWS CONFERENCES AND RELEASES:

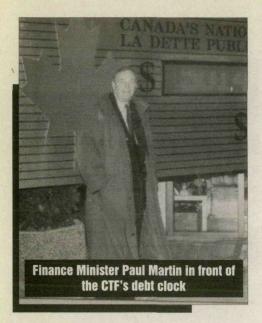
t times, issues warrant special attention. When these situations arise, the CTF sends out a news release. In these communication pieces and events, the CTF blows the whistle on what the government is up to and often states the organization's position on various issues of public importance. CTF offices quickly respond to the release of federal and provincial budgets, and to new legislation. National and provincial media outlets have come to rely on the CTF as a regular source of commentary.

5. LET'S TALK TAXES:

et's Talk Taxes are weekly commentaries sent out to media across the country. These are written in an editorial format and differ from news releases which focus on immediate issues. They are carefully researched for accuracy and are printed by many newspapers and magazines. At times the editorial blossoms into a major news story. An example of this was when the Saskatchewan division wrote about the provincial government getting into potato politics with the creation of a new Crown corporation called "Spudco" that would compete directly with private potato producers. The commentary was quoted extensively by Saskatchewan major dailies and further resulted in a feature story on CBC's Noon Edition. Recently, several radio stations have started to carry Let's Talk Taxes in shorter versions, with the



"It's like a *Playboy* magazine for taxpayers.
Titillating, eyebrow raising, a bit shocking. The pages of *The Taxpayer* are bountiful with information and numbers that rivet attention..."
The Vancouver Sun



"The Federation has stormed onto the national scene establishing itself as perhaps the most potent pressure group of the new politics." CBC Radio Profile, Feb. 1995

"Canadians can thank grassroots opposition from groups like the Canadian Taxpayers Federation for a tax-free new year." -Canadian Press, November 1995 provincial spokesperson as an editorial commentator. In addition, the CTF faxes out these commentaries on request to our supporters in the form of *TaxFax*. This device has been so effective in informing members of issues and calling on them to send faxes into politicians that we have received calls asking us to call off the troops because their fax machines were swamped!

6. DEBT CLOCK TOURS:

he CTF has led the charge in bringing to the attention of Canadians from coast to coast the seriousness of Canada's national debt. And what better way to do this than to watch the federal debt grow as the numbers whirl by at an estimated \$600 a second. In 1992, the CTF purchased a huge digital clock. It stands 5 feet high by 12 feet wide. The debt clock's tour, throughout the provinces and to Ottawa, has focused on both provincial and national debt levels. Even Finance Minister Paul Martin had a chance to visit the debt clock while in Calgary.

7. GATHERING PETITIONS:

ne of the most effective ways to bring about public policy change is by presenting broadly supported petitions to government. CTF petitions have had a significant impact. At times, politicians have broken down each of the names by constituency to find out how many votes are represented. Politicians know that each name can represent as many as 10 others who feel the same way about an issue. Over the years, the CTF has undertaken several petition campaigns such as:

- In Alberta, 50,000 signed petitions opposing the lucrative MLA pension plan which resulted in the government of the day abolishing the plan retroactively.
- At the national level, the CTF presented a 250,000-name petition calling on Ottawa to reject a proposed billion-dollar tax grab in the 1995 federal budget. Ottawa backed off.
- A petition campaign in Saskatchewan in 1994-95 resulted in over 45,000 coupons being handed in to the Romanow government calling for a balanced budget law. This resulted in a law being passed in 1995.

8. SPECIAL CAMPAIGNS:

n certain priority issues, the CTF will launch a full-scale campaign often involving several elements including press conferences, news releases, commentaries, public events, speaker tours and paid advertising. During the last provincial election in B.C., the CTF initiated a series of radio and newspaper advertisements asking the electorate to cast their ballots in favour of candidates who would publicly commit to enacting balanced budget legislation if elected. So committed was the CTF to its message, it even ran its ads in the face of potential prosecution under B.C.'s gag law.

In Saskatchewan, a full-page ad exposing the lies of politicians who

had promised not to raise taxes resulted in several news stories. Television ads and bill boards were used during the Manitoba provincial election calling on candidates to endorse balanced budget legislation. In Ontario, a four-page flyer was mailed out to 300,000 households asking candidates to address Canada's debt crisis during the federal election campaign.

Other initiatives, such as our "No More Taxes" campaign, prior to the 1995 federal budget, saw full-page ads in the *Globe and Mail*, *Financial Post* and in a number of *Sun* newspapers. Rallies and petitions were initiated across Canada, drawing thousands of people into the protest against proposed tax increases.

9. HOSTING CONFERENCES:

elping taxpayers learn how to promote more efficient and accountable government is an integral part of the CTF's mandate. To help foster the environment for change, the CTF has hosted a number of conferences over the years. The first ever Canadian Taxpayers Conference was held in January of 1993 in Calgary and drew 400 delegates from across the country. British Columbia

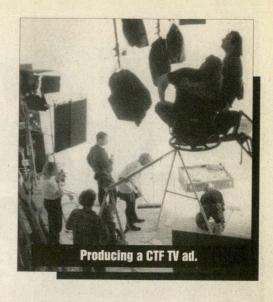
hosted a conference on Direct Democracy that was carried on CPAC. Alberta and Ontario each held a conference on municipal issues and Saskatchewan had several hundred attendees at their taxpayers' conference on the theme "Restructuring for Tomorrow." These events have attracted high profile speakers, both

domestically and internationally, including New Zealand's Finance Minister Roger Douglas, Taxpayer Associations' International President Bjorn Tarras Wahlberg from Sweden and Proposition 13 leader, Joel Fox from California.

Next year, at the request of Taxpayer Associations International, the CTF will be hosting the World Taxpayers Conference in Whistler, B.C. It will be the first such conference ever held in North America and will feature taxpayer activists and leaders from around the world.

10. PAPERS & SUBMISSIONS:

overnments occasionally seek input from citizens prior to making decisions. The CTF makes regular submissions to public hearings and consultation bodies, both at the provincial and federal level. In British Columbia, several recommendations from a CTF submission were adopted by an all-party committee reviewing MLA remunerations. The CTF has made numerous presentations over the years ranging from GST reform and electoral guidelines to the MPs' pension plan. In many instances, the CTF is the lone voice calling for lower taxes and reduced spending. The vast majority of the presenters are usually special interest groups - most on the receiving end of government money - calling for more government spending.





"The CTF aims to become an effective 'common' (as opposed to special) interest group, expressing the frustrations not of an angry minority but of a furious majority!" - Macleans, Aug., 1993

of Indians, 6-5M

ontroversial issues tend to be avoided by political parties and many advocacy groups - they fear bad press and offending vocal minorities.

Unfortunately, when that happens, taxpayers' best interests are not served.

This is precisely what has been happening with regard to aboriginal funding over the past few decades. Afraid of being labeled "racist," Canadian governments have turned a blind eye to serious questions about financial accountability on reservations across the country.

This strategy has not only cost taxpayers billions in unaccounted for dollars, but there has also been increasing concern that the very people the money is intended for are not receiving the benefit.

The issue recently came to a head when the First Nations Coalition for Accountability, along with other native groups and individuals approached the Canadian Taxpayers Federation to tackle the issue. Their simple query of where the money is going has remained

"I'm saying yes, I would love to debate (Blaine Favel) or any members of the Native leadership. We're trying to get to the bottom of this." -Walter Robinson,

Canadian Taxpayers Federation

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unanswered not only at the local level within their own reserves, but by the Department of Indian and Northern Affairs where the entire issue of financial accountability has been shrouded in secrecy.

> The stories these people brought to the CTF raised an alarm, and after careful analysis, our researchers highlighted those concerns in a series of Let's Talk Taxes commentaries. The articles not only made local papers, but spin-off stories appeared in headlines across

Saskatoon, Saskatchewan Thursday, September 25, 1997 A6 LOCAL group FSIN ponders suing taxpayers' tain characteristics. I think their intentions are obvious," Favel said.

There are Criminal Code provisions against hate literature. This is hate literature. They want to create in the public's mind these conclusions which are just not true.

He said he wondered why the CTF is targeting Indian governments and not rural municipalities, for example.

Favel challenged the CTF to a debate on the

By Jason Warick

of The StarPhoenix

The Federation of Saskatchewan Indian Nations FSIN) has hired a lawyer to determine whether maderial published and statements made by the canadian Taxpayers' Federation (CTF) can be considered hate literature.

The CTF has been sending weekly news releases since mid-August calling for more accountability in Indian band finances and asking for an independent audit of all Canadian bands, citing bendent audit of all Canadian bands, citing widespread corruption.

FSIN Chief Blaine Favel said he has retained accepted by the fSIN can pursue legal action against the CTF for distributing hate literature.

"They're trageting exclusively First Nations of the properties of the same properties."

The Tease The There are take literature whether the subject accepted by the same properties. The properties of the same properties of the same properties of the same properties. The properties of the same properties of the same properties of the same properties of the same properties. The properties of the same properties of the same properties of the same properties. The properties of the same properties of the same properties of the same properties. The properties of the same properties of the same properties of the same properties. The properties of the same properties of the same properties of the same properties of the same properties. The properties of the same properties o

Favel said the CTF to a debate on the matter two weeks ago. The CBC invited Favel and CTF federal director Walter Robinson to debate the subject on the Morning Edition. Robinson accepted but Favel declined.

"My No. 1 priority is to run my election campaign, not to debate the Canadian Taxpayers Federation, who are a bunch of lunatics." Favel said.

Favel said he won't debate on CBC Radio because its programs cast Native people in a negative light.

inson said the sounds in debate sounds string, but he said he to know more details about format or the drules before committing.

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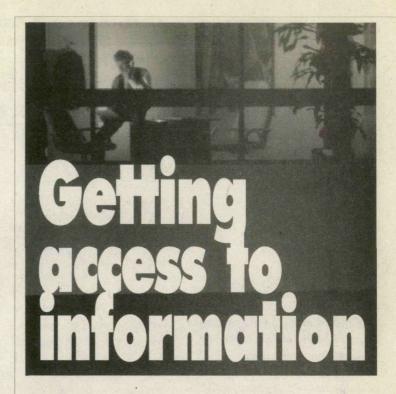
the country. Predictably, the CTF was condemned by Blaine Favel, head of the Federation of Saskatchewan Indian Nations (FSIN) as being "racist" and he challenged the CTF to debate the issue. He is also digging to find hate literature in our *Let's Talk Taxes*.

Walter Robinson, of the CTF did not back down. "I will not stand to be painted with that brush by Chief Favel....We have a right to ask what value we're getting for our tax dollars." Robinson then accepted the challenge to debate, and CBC Radio Morning Edition happily offered a venue. Favel declined the CBC's invitation citing as a reason that the CTF is made up of "a bunch of lunatics."

Intimidation and name-calling aside, Favel has not only ignored the wishes of the people he supposedly represents but also the warnings from several others. Former Assembly of First Nations Chief George Erasmus has also raised the issue of accountability, asking for some kind of documentation to prove that funding arrangements on reserves are carried out in a responsible manner. The Honourable Judge John Reilly in Alberta ordered an investigation into how the Stoney Reserve in Morley, Alberta, was spending its funds, because he saw poverty stricken conditions in a place where funds have been abundant. The Auditor General of Canada has raised the issue twice, in both his 1994 and 1996 reports, saying more accountability is needed.

"If you believe that the CTF panders to racism then you must also believe that the Auditor General of Canada and even your own people pander to racism when they call for accountability surrounding native financing," said Robinson in response to Favel's remarks.

You can count on the CTF not to back down from a controversial issue that involves your tax dollars because it is not politically correct to talk about it.



Each month, the CTF makes access-to-information requests to the federal and provincial governments seeking information on how your money is being spent.

We have made requests for information related to MPs' pensions, business subsidies, cultural grants, travel audits and the list goes on and on. You often see the results of these requests published as grants lists in *The Taxpayer*.

Some of the information arrives without a hitch, while in other instances it can be stalled for months. Although under the Act, departments are required to provide the information within 30 days, Ottawa refuses to enforce the law.

In one case, a specific request was made for information from Federal Office of Regional Development Quebec (FORDQ) to be in English. However, FORD(Q) said that the information was only available in French and their legal advice said they didn't have to translate it into English for us. If we still wanted it in English we would have to pay for the translation ourselves — approximately \$4,000. Silly us, we thought this was a bilingual country.

In other instances, the government has tried to stall the information by charging outrageous fees. Government departments will ask for thousands of dollars before agreeing to release information. The Atlantic Canada Opportunities Agency, for example, has tried to charge us hundreds of dollars for information that other departments provide free of charge.

Accessing government information plays a vital role in not only keeping taxpayers informed about government activities but in keeping bureaucrats and politicians accountable.

The role of the Canadian Taxpayers Federation

AN ARMY OF AXPAYERS

the Canadian Taxpayers
Federation (CTF) just another special interest group pounding on the doors of politicians asking them to implement their agenda?

No. The Federation is the voice of thousands of Canadians with a "common interest" seeking to ensure that our governments are responsible and accountable to the wishes of the taxpayers who elect them.

For too long, politicians and bureaucrats have hidden their activities behind closed doors.

Therefore, one of the main purposes of the CTF is to provide peo-

ple with easy-to-understand information about government spending and taxation.

Our researchers pore through documents to find out exactly how much governments are taking from our wallets and how they are spending those hard-earned tax dollars. Having done that, the next step involves getting the information out to concerned taxpayers and then equipping them with the tools to effect change.

All this work, however, would be for naught if Canadians didn't get involved in the process. The CTF believes individual Canadians must take responsibility for the country's fiscal condition. For too long this responsibility has been given over to political parties, a strategy that has obviously not worked.

This marks the most significant difference between the CTF and special interest groups. Instead of doing things for people, the Federation functions as a catalyst, encouraging and mobilizing people to take control of their own future by signing petitions, writing letters, calling in on talk shows and attending public meetings. The CTF and its staff can't do it all. Individual taxpayers must use the information and tools available to them and hold their governments accountable and shape the future of this country.

Our purpose

The fold purpose of the Canadian Taxpayers Federation

1. To act as a watchdog and to inform taxpayers of governments' impact on their economic well-being;

2. To promote responsible, fiscal and democratic reforms and to advocate taxpayers' common interests;

3. To mobilize taxpayers to exercise their democratic responsibilities.



Photo: Toronto Sun

The history of the Canadian Taxpayers Federation

Tired of being pushed around by big-spending politicians and their entourage of bureaucrats, Canadians across the country have banded together to form one of the most successful advocacy groups in our country's history.

Pushed to the limit: Taxpayers push back

n 1990, the Saskatchewan Taxpayers Association and the Resolution One Association of Alberta joined forces to create a national organization. Today, the CTF has over 80,000 supporters from coast to coast and has proven that taxpayers can make a difference.

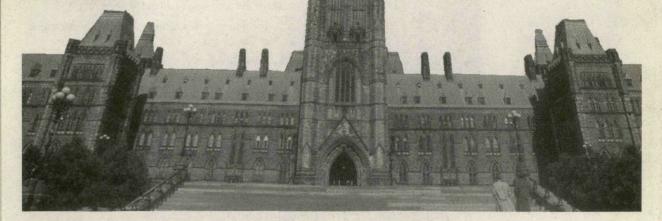
The Saskatchewan Taxpayers Association was formed just a year earlier in May, 1989, by a group of citizens who were concerned that their provincial politicians were controlled by special interest groups. Almost simultaneously, the Resolution One Association was being started by individuals in Alberta to fight the implementation of the GST. Resolution One proposed that any government wanting to raise taxes should be required to reduce spending by an even greater number of dollars.

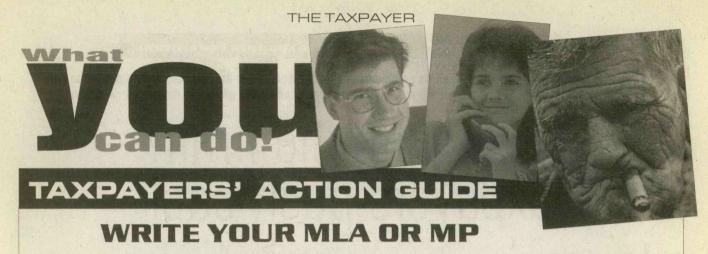
In the fall of 1989, the two groups sponsored a number of "Axe the Tax" rallies across Western Canada, and at a Senate Finance Committee hearing on the GST in Edmonton, they presented a petition containing 50,000 signatures supporting

Resolution One.

However, when the Mulroney government ignored the petitions, the two groups quickly realized that a national taxpayers' organization was necessary to bring taxpayers' wishes to the forefront of the national agenda. Taxpayers had to get organized before governments imposed new taxes. This led to the formation of the CTF with the explicit purpose of promoting the responsible and efficient use of tax dollars.

Since that time, the Federation has rapidly expanded with offices in B.C., Alberta, Saskatchewan, Manitoba and Ontario. Most recently, the CTF has opened a federal office in Ottawa, overlooking Parliament Hill. Expansion is planned for Quebec and the Maritimes. The success of the CTF has revealed the tremendous level of discontent across Canada concerning the current political process. Although the issues may vary from province to province, the main focus remains the same - taxpayers want their tax dollars used responsibility.





One of the simplest ways to become involved is by writing a letter to your MLA or MP. As a taxpayer, you need to realize that special interest groups wanting politicians to spend more of your hard-earned tax dollars are putting intense pressure on our elected officials. Taxpayers must get involved to stem this tide

Points to consider when writing a letter:

Fighting for our kids

futures.

1. Keep it short. Get to the point immediately and try to keep it to one page in length.

2. Be polite. If your representatives believe that you will not vote for them no matter what they do your letter will probably be ignored. You may disagree on the issue, but don't be abusive.

3. Make your letter personal. Use personal examples that support your statements and concerns.

4. Write on one issue. Don't ramble on and write a long list of gripes and complaints.

5. Handwritten letters have impact, as long as they're readable, but typewritten is also fine. Make sure your return address is on the letter.

Enclose relevant newspaper clippings or other materials to support your arguments. If you are writing concerning a particular bill, try to use its official name.

7. Don't write just for the sake of writing. Make sure you have a relevant topic.

B. Ask what your representative is going to do about your concern. If they send a vague reply, send another let-

ter asking specifically where they stand on the issue.

. It is proper to address the Prime Minister as "The Rt. Honourable" and start the letter with "Dear Prime Minister"; cabinet ministers and premiers should be addressed as "The Honourable" and start their letters with "Dear Madame or Mr. Minister." MLAs or MPs should be addressed as "Mr./Mrs./Ms.

surname (MLA or MP). Remember your letter will have much more impact if you show respect for their position.

1 1. If your MLA or MP takes a taxpayer position, make sure you send a letter thanking them for their support. CC a copy of your letter and the response to your provincial CTF office.

LETTERS TO THE EDITOR

Letters-to-the-editor are one of the most widely read sections of any newspaper. Issues of taxation and accountability are becoming increasingly important and editors will be interested in publishing your letter. If your letter is published it will send a message to thousands of people. Here are a few points to consider:

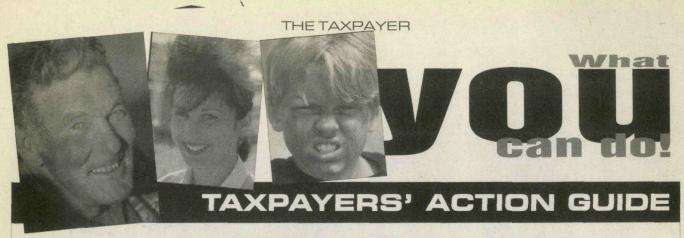
1. The letter must be short. Each editor has his/her own standard in terms of length, so keep your letter to the average size published in the paper. Find out the name of the person who should be receiving it.

2. The article should be timely. Try to tie it in with a current news story.

3. Newspapers receive a lot of letters, so don't be discouraged if your letter isn't published the first time. Try again.

4. Make sure you put your name, address and phone number on your letter. Newspapers will not publish anonymous letters, but many will consider withholding your name if requested.

5. Stick to one subject and present arguments to support your point. Use quotes and facts/figures to support your arguments. Follow up to make sure the letter has been received.



Put a petition together

Petitions are a powerful way to communicate with legislators. Since it only takes a few seconds to sign a petition, it doesn't take much time or effort to collect a large number of signatures. The circulation and presentation of a petition are also an excellent way of getting media attention, which can significantly increase the impact of your message.

There is a specific format to be used in order to have a petition officially "tabled" (presented) in a provincial legisla-

ture or the House of Commons. Even if it is not tabled it will still have an impact, but having it tabled means it becomes part of the public record, increasing its visibility.

All levels of government have their own requirements for a formal petition. Check with your provincial legislature on the exact procedure for your jurisdiction. The following are the basic requirements for presenting a petition before the House of Commons:

Putting together a petition:

- 1. A petition must be addressed to "the Legislative Assembly" or to "the House of Commons in Parliament Assembled."
- **2**. A petition must be written, printed, or typed on paper of usual size.
- **3**. A petition must contain a written request asking the Parliament or Assembly to take some action.

Getting the address of an MP or MLA

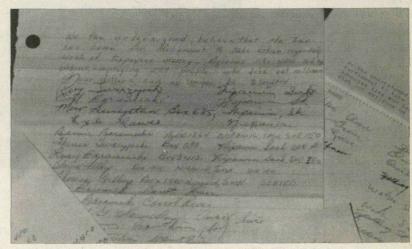
MP: Their number is listed at the beginning of the Federal Blue Pages in your telephone directory or you can call Reference Canada at 1-800-667-3355.

MLA: Call the information number listed at the beginning of the Provincial Government Blue Pages in your telephone directory.

- 4. If the petition contains more than one page, the written request must be at the head of each page.
- **5**. Each signer must indicate his or her address.
- **6.** A petition must contain at least 25 signatures and addresses, at least three of which must appear on the first page.
- **7**. Signatures and addresses must be signed by the original person, and names and addresses must not

be erased or crossed out.

- **8**. Only Canadian residents may sign petitions to the House of Commons, and petitions to the provincial legislators are limited to residents of that province.
- **9**. A petition must seek action on a matter within the jurisdiction of the appropriate level of government.
- **10**. A petition cannot request the expenditure of public funds.



www.taxpayer.com

he internet is one area where concerned citizens can seek unfiltered information on public policy issues through access to web sites, discussion groups and chat rooms.

Visitors to the CTF's website will be able to learn all about the CTF: who we are and what we are up to.

Selected stories from our flagship publication, *The Taxpayer*, will be available on-line. Links to our federal office in Ottawa and each provincial operation will be provided. *Let's Talk*

Taxes, press releases, commentaries and legislative committee presentations will all be posted.

In addition, more exciting features will include compre-



hensive links to other internet sites including all major political parties, the Government of Canada site, major media outlets and other surprises.

CTF supporters looking to order a book or t-shirt can surf by our service centre and order directly on-line. You'll even be able to register for CTF conferences and events like the World Taxpayers Conference coming up in June of 1998.

Future plans include live footage of

CTF spokespersons on television and radio as well as a threaded discussion bulletin board.

The address is *http://www.taxpayer.com*; please surf by and tell us what you think.



Financial Post, Dec. 1996

"The Canadian Taxpayers Federation is an effective watchdog against government spending abuses...for its exposes and efforts, the Federation deserves plaudits and contributions."

Alberta Report, March 1997

"The Canadian Taxpayers Federation, substantive creators of the anti-deficit tide..."

Globe & Mail, May 1993

"The CTF... has an impressive reputation as a genuine burr in the backsides of the old-line political parties of all ideological persuasions."

Vancouver Sun, July 1997

"The Canadian Taxpayers Federation has led opposition to the pension scheme."

Moncton Telegraph Journal, August 1994

"A storm of revolt is blowing from the West and it's possible there will be showers of discomfort for Atlantic Canada's politicians."

Vancouver Province, July 1994

"Thumbs up to the Canadian Taxpayers Federation for exposing scandal, ous expenditures by bureaucrats who should know better."

Financial Post, June 1995

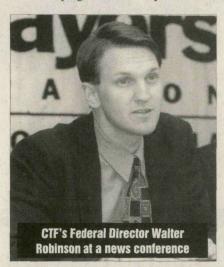
"The CTF is an amazing phenomenon, whose recent success in promoting TELs (Tax and Expenditure Limits) represents the ultimate paradigm shift in politics - from the top-down, trustme old politics to the politicians-do-as-you're-told new politics."

Financial Post, April 1996

"The Federation is to be congratulated for continuing to keep up the pressure. The debt crisis, not Lucien Bouchard, is Canada's only nation-threatening issue."

Wall Street Journal, March 1995

"Voters flooded government officials with faxes, phone calls and letters demanding 'no new taxes.' The grassroots campaign...had an impact."



The Vancouver Sun, Feb. 1995

"The dearth of new taxes may be the result of an unprecedented grassroots protest that began in the West [led by the CTF] and steamrolled East. Some 17,000 ordinary people turned up in February at anti-tax rallies from Victoria to Halifax, they swear and shed tears in gyms and town halls. They organized, not in reaction but in preaction. And by the time, they'd drawn their lines in the snowy landscape of a Canadian winter, Parliament Hill was encircled, feeling the full force of people power."

Macleans, February 1995

"Riding a wave, the Taxpayers Federation, has pushed itself onto the national stage."

The Economist, March 1995

"Western Canadians can be pleased with themselves. Presenting his budget on February 27th, the Finance Minister, Paul Martin, announced there would be no change in income tax."

Ottawa Citizen, March 1994

"The Fuller Brush of fiscal rectitude."

La Presse - Montreal Mai 1993

"L'organisme [CTF] fait bien ses devoirs."

Edmonton Sun, July 1997

"An organization devoted to crusading against high taxes."

BC Business, July 1996

The Federation has become one of the province's — if not the country's — most effective interest groups."

Calgary Herald, April 1993

"The group is becoming both an instigator and leader of a growing taxpayers' revolt."

Edmonton Sun, August 1997

"It is good news that the Canadian Taxpayers Federation recommitted themselves this week to fighting for lower taxes for all Canadians."

Toronto Sun, Feb. 1994

"This taxpayer group is mobilizing fast and represents Canadians in every nook and cranny of the country."

"It appears that the Canadian Taxpayers Federation has succeeded in preventing a major tax increase in this year's budget." CBC Newsworld, February 1995

federal tax increase



hoto: loronto Su

From Vancouver Island to New Brunswick, irate taxpayers lined up at microphones to vent their rage over proposed tax increases for the 1995 federal budget. It was a shocking change for normally reserved Canadians.

Just months earlier, the federal House of Commons Finance Committee had recommended over \$1 billion in new taxes, including a "temporary personal income surtax" to tackle the deficit. One Liberal MP had brashly predicted Canadians would complain for a few days, and then "roll over."

On January 24, 1995, with simultaneous news conferences in Ottawa, Vancouver, Calgary, Saskatoon and

Winnipeg, the CTF launched what has been the most significant campaign in its seven year history. The CTF unveiled a petition and announced 20 rallies across the country that would demand the federal Liberals keep their election commitment not to raise taxes and shelve planned increases. A Taxpayer Protection Act was also proposed that would legally force the government to balance its

budget and subject future tax increases to voter approval.

Four days later, full-page ads in the *Financial Post* and *Globe and Mail* focused on Prime Minister Jean Chretien's election promise: "I say there is no tax increase in this plan. I said in an interview the other day, if we were to be in a war - perhaps."

The Financial Post ad was part of a special 12-page section on "Debt &

Taxes." As the campaign gained momentum, a number of *Sun* newspapers stepped forward with free advertising to promote the rallies.

The tax protests started with a roar. National news coverage pictured a standing room only crowd in Kelowna B.C. where the CTF launched its first rally on February 1. Organizers were hoping for 400 people, but nearly 1000 pushed their way into the meeting. Five days later, 1,800 angry protesters stormed the Edmonton Inn and hundreds more were turned away from the door. Over 2,000 turned up in Toronto, and 3,500 crammed an auditorium in Pickering.

At the Saskatoon rally, a well-known pro-tax activist said he welcomed more taxes and was angrily booed. Politicians trying to defend increased taxation received the same response.

The CTF's petition drive started with a "Tax Alert" section in *The Taxpayer*. CTF supporters quickly rose to the challenge by sending in tens of thousands of names. In fact, they called for more petition forms so they could go to local coffee shops and malls to collect names. In B.C., February 11 was declared "Tax Petition Day" and volunteers stationed in 14 locations around the province collected nearly 13,000 names in one day!

In addition, a number of media outlets initiated their own petition drives. Radio stations in Ontario promoted "Fax Fridays" in which listeners were encouraged to fax their messages to politicians. Hundreds of independent anti-tax activists sprang into action to add names to the growing public outcry.

In total, the Federation delivered over a quarter million names to Finance Minister Paul Martin. Canadian taxpayers had learned their lesson from the GST - it's pointless to try and change things after the fact.

An anomaly in Canadian society.

An anomaly in Canadian society, the tax protest attracted an unprecedented amount of media coverage. CTF spokespersons fielded hundreds of media requests for interviews and information from all over the world.

Many were surprised by the intensity of the protest. Terry Downey, a political scientist at the University of Waterloo, said in an interview in the *Victoria Times Colonist*, "Historically, people have always grumbled about taxes, but I don't think I've ever seen such a concerted effort by Canadians to forestall a rise in taxes."

The storm of protest worked. Although there were in the end some minor tax increases in the 1995 federal budget, they fell far short of the anticipated tax grab. The proposed hike in income tax was buried. As a lead editorial in the Wall Street Journal summarized, "Voters flooded government officials with faxes, phone calls and letters demanding, no new taxes.

and letters demanding, no new taxes.

The grassroots campaign had an impact."

The Los Angeles Times weeping across Canada. Taxpayers Federations have participants from British

NO MORE TAXES!

Taxpayers

The Los Angeles Times had an impact."

The Los Angeles Times weeping across Office of the Los Angeles Times weeping across Canada. Taxpayers possible to the Alberta-based Canada. Taxpayers participants sponsored by drawn thousands of have participants from British

NO MORE TAXES!

Taxpayers

National HIGHLIGHTS ACCOMPLISHMENTS

1. STA formed

On May 1, 1989, a group of concerned citizens formed the Saskatchewan Taxpayers Association (STA).

2. Resolution One Committee created

On May 29, 1989, a number of Alberta citizens formed the Resolution One Committee to oppose the GST. They called on the federal government to reduce spending by an amount greater than any revenues raised through new taxes or tax increases.

3. GST protest

In the fall of 1989, the STA and Resolution One Committee launched a series of "Axe the Tax" rallies protesting the imposition of the GST.

4. CTF created

In April 1990, the STA and the Resolution One Committee combined to form a national organization called the

Canadian Taxpayers Federation

(CTF) to fight wasteful government spending and taxation on the national level.

ERATIO

5. GST petitions presented

In July 1990, over 50,000 signed cards opposing the GST were presented to a Senate meeting on the GST in Edmonton.

6. Alberta office opened

The Alberta Taxpayers Association (CTF affiliate) was established in August 1990, with its office in Edmonton.

7. British Columbia office opened

ts office opened November 1992 in Victoria.

8. Canadian Taxpayers conference

The CTF hosted the first ever Canadian Taxpayers Conference, January 22 - 24, 1993, in Calgary. Over 400 delegates attended from across Canada.

9. SIC List report

In May, 1993, the CTF conducted a study comparing the government debt levels of 174

world economies, using methodology adapted from the World Bank, and ranked them in terms of total government debt - 46 countries, including Canada and all 10 provinces, fell into

SEVERELY INDEBTED GOVERNMENTS

Canadian Taxpayers
Federation 1992-93
Government Debt SIC-List
Report
(Severely Indebted Category)

Angle of Casadian Frontscalif-Territorial
Gereramen Debt Dates have found bank Memodalogy

Ray Book and Again, Again

the "severely indebted category."

10. Ontario office opened

The office of the Ontario Taxpayers Federation (CTF affiliate) was opened in August 1993, in Ajax, Ontario.

11. Manitoba office opened

In September 1993, the Manitoba Taxpayers Association (CTF affiliate) opened its office in Winnipeg.

12. Roger Douglas tour

The CTF sponsored a tour by Sir Roger Douglas, former Labour Finance Minister of

New Zealand, in Nov. 1993, on what Canadians can learn from New Zealand's debt crisis of the early 80s.

13. Call for reform of MP pension plan

The CTF established MP Pension Reform as a principal federal policy objective, and in 1994 collected 50,000 names calling on the Chretien government to reform the plan by converting it to a self-funding defined dollar-for-dollar contribution plan.

14. CTF launched national tax protest

On Jan. 24, 1995, the CTF launched a national "No More Taxes Campaign" including 20 Tax Alert rallies and a 250,000-name petition opposing tax increases. Media across the country credited the CTF for stopping a proposed income tax hike.



After New Zealand successfully dealt with its fiscal crisis, the CTF brought the country's former Labour Finance Minister, Roger Douglas, to Canada to show how our country could avoid going down a similar path.

111 = 11(3)

In the spring of 1995, the CTF initiated a Canadawide petition drive resulting in over 250,000 names landing on the desk of Finance Minister Paul Martin telling him not to increase taxes: Result: A billion dollar tax grab was stopped.

15. Launched pink pig brigade

When the CTF was prevented from making a presentation at a hearing reviewing the MPs' pension plan in June, 1995, the CTF placed 242 pink plastic pigs on the front lawn of Parliament Hill. Within hours the Federation was allowed in.

16. MP pension cheques

CTF affiliates across Canada presented mock pension cheques to federal cabinet ministers on Sept. 11, 1995, the last day MPs

could voluntarily "opt out" of the MP pension plan. The cheques indicated the



amount MPs would collect from their pension should they live to age 75.

17. Call for CPP reform

Released a paper in Edmonton in February 1997 proposing wholesale, structural reforms to the Canada Pension Plan, and announced an across-Canada coupon campaign.

18. Ottawa office opened

For the first time in its seven-year history the CTF has a full-time presence in Ottawa, a stone's throw from Parliament Hill. The office was opened July 1, 1997.

SASKAT
CHEW
AN - In a
four day
w h i r l wind trip
a c r o s s
Saskatch
ewan, Federal Director

THE CANADIAN TAXPEYERS FEDERATION ACROSS CANADA UPDATE

Walter Robin-

son spoke to a meeting of the First Nations
Coalition for Accountability, spinoff from which resulted in an interview with CBC Radio, a live appearance on CTV's lunch hour show in Saskatoon, an interview with Global TV and several front page stories in the Saskatoon Star Phoenix. Robinson also attended two editorial board meetings with major provincial newspapers and participated in an hour-long interview on CKRM radio in Regina.

WINNIPEG - Victor Vrsnik took part in a weekly television panel talk show debating the Canada Pension Plan, which inspired a record number of call-ins. He also participated in a debate on Gerald Fast's 1290 radio show on the issue of privatizing Winnipeg Hydro.

TORONTO - **Brian Kelcey's** spot on CTV commenting on \$12 million in bonuses for federal managers generated national wire service and national *Sun* chain coverage. Spin-off coverage also included CFRA radio in Ottawa and CKTB radio in St. Catharine's.

EDMONTON - In response to the Alberta Growth Summit meetings, CTF - Alberta issued a province wide media release criticizing many participants for cloaking new spending requests under the guise of "reinvestment," or "people development." Mark Milke described the proceedings as a "get-a-jump-on-the-season shopping spree, without much thought given to how much the proposals are going to cost." His comments were repeated in major TV, radio and print media across Alberta.

BANFF - Mark Milke took part in the Alberta Urban Municipalities Association's annual conference, part of a panel on the subject of market value assessment.

OTTAWA - Walter Robinson appeared twice on CBC Newsworld discussing tax cuts and debt reduction - once on *Politics* with Don Newman and once providing commentary on Newsworld Business News. SIMCOE - CTF Ontario held a four day 600 Billion Dollar Debt

Clock Tour, travelling to the commun ities of St. Thomas,

Woodstock, Kitchener, Guelph and Brantford. The tour featured two meetings, three news releases, six stops and 10 media stories.

VANCOUVER - Robert Pauliszyn spoke to a Kiwanis group in West Vancouver about the CTF and provincial recall efforts, followed by a half-hour taping on Rogers Cable-TV show.

WINNIPEG - Victor Vrsnik was interviewed by MTN-TV on provincial tax cuts and by the Winnipeg Sun on excessive city spending.

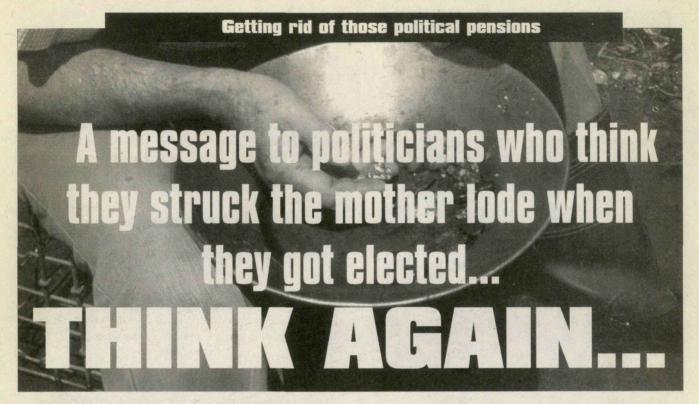
VANCOUVER - **Robert Pauliszyn** appeared on CBC radio's *Early Edition*, criticizing the BC government's \$149-million bailout of Skeena Cellulose in Price Rupert. When Dan Millar, minister responsible, verbally attacked Robert and the CTF, the *Vancouver Sun* came to their defence... "The taxpayers and the banks are taking the hit for this highly political second-time-around bailout of the Prince Rupert company..."

OTTAWA - CTV interviewed Walter Robinson on questionable practices and expense claims within National Defence and helicopter procurement. This interview ran on many BBS stations including CJOH Ottawa and CFTO Toronto.

TORONTO - **Brian Kelcey** and CTF volunteer David Gratzer released a paper by Mr. Gratzer outlining protaxpayer, patient-friendly alternatives to the Ontario government's health restructuring reforms.

BRANDON - **Victor Vrsnik** took part in a talk radio program on CKLQ discussing direct democracy.

EDMONTON - Mark Milke sat in on a Freedom of Information appeal which Matt McClure from CBC is pursuing. McClure wants access to expense account records of Alberta's MLAs. The CTF is an intervenor in the review.



hock and outrage are just some of the emotions Canadians feel when when they learn of the pensions legislators grant themselves. But by making benefits public, the CTF has been surprisingly successful in getting rid of several gold plated plans.

In fact, in every province where the CTF has established an office, pensions for politicians have either been reformed or outright abolished. Here is a brief summary of some of our successes:

Alberta

After a massive campaign, Alberta taxpayers were rewarded with victory on May 1, 1993, when the government of the day announced an end to the MLA pension plan. The CTF took the lead role in the campaign, including a well publicized direct confrontation with Premier Klein.

House of Commons (partial victory)

The CTF's infamous pink pig attack on Parliament Hill in June 1995, which resulted in nation-wide coverage, pushed the Chretien government to allow a brief window of opportunity for MPs to withdraw from their obscenely rich pension plan. In September 1995, 53 fed-

eral MPs withdrew, saving taxpayers millions of dollars.

Manitoba

In April 1996, Manitoba MLAs revoked their luxurious MLA pension in favour of a taxpayer-friendly RRSP. The Manitoba government accepted most of the major recommendations of a report submitted by the CTF concerning reform of MLA remuneration.

Ontario

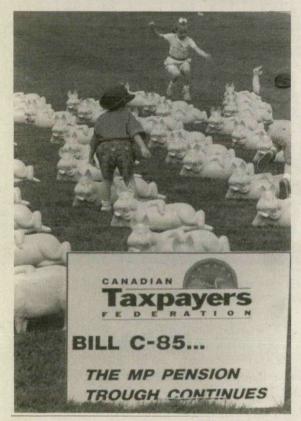
Shortly after the 1995 provincial election, Premier Mike Harris of Ontario kept his election promise and scrapped the lucrative pension plan that had been in place for provincial politicians for years.

British Columbia

The CTF played a major role in exposing and calling for an end to the BC MLA pension plan. After tremendous public pressure, the government abolished the plan effective May 29, 1996. However, in the spring of 1997, the CTF uncovered that MLAs were still squeezing benefits out of the old plan retroactively. BC's politicians are still managing to squeeze a few more drops of blood out of the MLA pension stone.

Now for the rest of the story

Pig brigade Partiament Hill



In June 1995, the House of Commons was holding public hearings on the MPs' pension plan. The CTF approached the federal government about making a presentation. Ottawa refused. The Federation decided to make a public statement by bringing in a herd of live pigs to Parliament Hill. The Federation approached a local hog producers' association to supply the pigs. The Association, however, had been working to improve the image of pigs and felt that associating hogs with MPs would reflect negatively on this image, so they declined. Fortunately, the Federation was able to track down a plastic substitute and unleashed an army of plastic pigs on the front lawns of Parliament Hill. The 242-member "Pink Pig Brigade" (representing the number of MPs who REFUSED to voluntarily opt out of the plan) was front-page news across the country. Within hours the CTF was invited to make its presentation.

It's appalling!

"My partner and I found *The Taxpayer* to be both fascinating and appalling." T.H., Calgary, Alberta

It's upsetting!

"After perusing a recent edition of your magazine, my husband and I became quite concerned - rather upset to be honest, about the extremely well padded retirement plans for members of the cabinet and others." - S. R. Winnipeg,

Manitoba

It's alarming!

"I found the articles both eye opening and alarming. Not a good paper to read on a Monday!" - T.A. Broadview, Saskatchewan

It's disgusting!

"I am in receipt of some copies of *The Taxpayer* - absolutely disgusting and am anxious to subscribe!!" - D.G.

Bellerue, Alberta

It's maddening!

"It was a real eye-opener, in fact my husband said that it made him so angry that he wants to subscribe to it." - R.R. Cardston, Alberta

It's depressing!

"I was wondering whether it is possible to subscribe to a paper like yours. I did find the information incredibly depressing, however most enlightening, and thus I would like to be on your list." - J.T. Clearbrook, B.C.

It's sickening!

"Need an Extra Strength Tylenol to go with it as you read it." - L.O. Toronto, Ontario

It's shocking!

"It is quite a shock to hear some of these things we don't hear about otherwise." - J.G. Dorothy, Alberta

It's called

THE TAXPAYER

If you would like more information on how you can become a supporter of the Canadian Taxpayers Federation - Phone:

1-800-667-7933

STEPS TO TAXPAYER VICTORY!

How taxpayers won the battle for balanced budget legislation in Manitoba

1. Research funded by supporters

Former CTF Board Member Mel Smith (former senior constitutional advisor to the BC government) joined with CTF research staff across the country to organize a nationwide balanced budget campaign. Smith drafted model legislation and provincial offices adapted the draft and campaign tactics to meet their local needs. The proposed legislation would be among the toughest balanced budget laws in the world. Copies of the draft were sent to politicians, the media and influential people throughout Manitoba.

3. The campaign

The CTF's Manitoba field representatives collected thousands of signatures petitioning the government for balanced budget CTF supporters were given assistance in writing letters to individual politicians.

5. The battle begins

The CTF caught wind that special interest groups would be opposing the balanced budget legislation through a series of ads to be run during the provincial election campaign. To counter this, the CTF ran its own TV ad and billboard campaign which became the subject of a number of media stories. After the election, the CTF battled to ensure that the government would fulfils its promise to pass the legislation and to make sure the law had some teeth. The CTF made presentations to legislative committees, and promoted the need for the legislation through media interviews and events, The Taxpayer, Let's Talk Taxes and TaxFax columns.

2. Education & Awareness

Information on balanced budget laws from countries around the world was published in *The Taxpayer*:

TaxFax columns were sent to 4,500 Manitobans. The CTF's

Let's Talk Taxes editorials were regularly sent to weekly newspapers around the province discussing the need for balanced budget laws.

The Financial Post contributed to the CTF campaign by publishing a special edition on taxpayer protection.

4. Provincial politicans are persuaded

The CTF's campaign caught the Manitoba government's attention. The provincial government was looking for a way to reinforce its fiscal credentials after 8 years of deficits. Just before the election, the government called for a copy of the CTF's proposal and put forward draft legislation that mirrors the CTF's. The Filmon government committed itself to passing such a law if re-elected.

6. Victory

The Manitoba Balanced Budget, Taxpayer Protection & Debt
Repayment Act became law in 1995. Deficit financing is now illegal in Manitoba. Cabinet
Ministers who overspend will have their salaries docked 20% (40% if it happens again). Tax increases are subject to voters' approval via a province-wide referendum. The Manitoba law is a model used in other provinces to push for similar legislation.



CTF DOOMSDAY DEBT CLOCK HAS

An elderly woman saw it and complained about irresponsible government spending. The man with the beard said it was a lie and part of some "Reaganite" conspiracy. A university student blamed the public who wanted services they couldn't afford. An American ex-patriot said he was

now thinking about moving back to California. And then there was a grade eight student from central Winnipeg, who was quiet at first, and then started to ask a lot of questions.

David Vollrath was cruising the Polo Park Mall in Winnipeg with some of his friends, when they encountered the Canadian Taxpayers Federation's (CTF) "doomsday" clock. With its digital display, the clock graphically shows how fast government debt is increasing.

The clock had such an impact on David that he decided to do something about it. After talking with his mother and teachers about government finances, he started a petition. In one day, he collected 60 signatures which he forwarded along with a letter to provincial politicians.

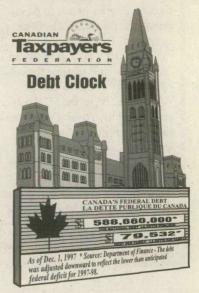
In his letter, Vollrath said, "I am deeply concerned about our provincial and federal debt. This letter is to request that I be sent some information concerning this debt."

"Our future is in your hands, and as a grade 8 student, my future is at stake too...This petition is against the province's debt and it's a demand that it be lowered."





The taxpayer conference held in Calgary, Alberta in 1993, helped thrust taxpayer issues onto the national scene.



A TRIBUTE

The accomplishments of the Canadian Taxpayers Federation would not have happened without the dedicated work of many men and women. The following is a list of a few of those individuals who have played a vital role in the success of the CTF since its inception.

Moira Wright

Moira joined the CTF in 1993 and served as a research associate in Saskatchewan. She was promoted to provincial director later that year and served in that position until August 1997.



Jason Kenney, M.P.

Jason joined the CTF in 1991 serving as the provincial director in Alberta. In 1995, he was appointed the president and CEO of the CTF. He left the Federation in 1996 to pursue federal politics.



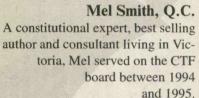
The late Art Fox of Saskatoon was a 20-year-member of the RCMP and founding board member of the Saskatchewan Taxpavers Association and the CTF. He served from 1989 to 1994.





Bob Matheson, C.M. Q.C.

A senior partner in an Edmonton law firm, Bob was a founding member of the Resolution One Committee which joined STA in 1990 to form the CTF. He served on the CTF Board until 1996.

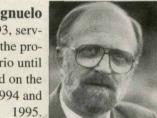






James Forrest

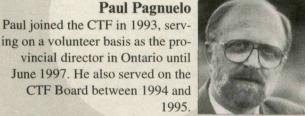
James served as a research associate in Alberta from 1993 to 1995 when he was appointed provincial director, a position he held until June 1997.





Mitch Grey

Mitch joined the Canadian Taxpayers Federation in 1995, serving as National Research Director. Mitch worked for the organization until the spring of 1997.





Norm Baker

An electrical contractor in Regina, he was one of the founding Board members of the Saskatchewan Taxpayers Association and the CTF, serving from 1989 to 1995.



Chairman and CEO of International Colin Energy of Calgary, Tom joined the CTF as a Board member in 1990, a position he held until 1996.



Noose loosened on GAM

hreatened but not prosecuted.
On May 28, 1997, the Attorney General's Ministry issued a news release to announce that it would not prosecute the CTF which was alleged by Elections BC to have contravened B.C.'s infamous election "gag law." But while the CTF is off the hook, free speech in British Columbia is still threatened.

First, some history. In 1995 the NDP government introduced and passed a new Election Act. Among its 300 pages is a provision that limits

citizens and citizen groups from spending more than \$5,000 to advertise their opinions during election campaigns. Violators are subject to fines and one year jail terms. Similar "gag laws" written into federal election rules have been struck down by the courts on three occasions.

If the law itself wasn't bad enough, B.C.'s Chief Electoral Officer (CEO) Robert Patterson's interpretation was even more alarming. He arbitrarily pulled ads off the air and subjected alleged violators to threats of prosecution, intimidation, and harassment by "special investigators" — all without a formal charge or explanation as to how the law was violated.

Even worse is the appearance of bias in Mr. Patterson's attempts to shut-up only those groups and individuals with a track record of criticizing the current government. For example, ads taken out during the May 1996 provincial election by the Canadian Taxpayers Federation in support of balanced budget legislation were deemed illegal, while public-sector union ads that opposed spending cuts were acceptable.

The issue came to a head in March 1997, when the Fisheries Survival Coalition was fined \$220,000 for having handed out pamphlets critical of the aboriginal-only fishery. Embar-



The following is the text of the three radio ads run by the Canadian Taxpayers Federation during the 1996 provincial election.

Ad one:

Today's debts are tomorrow's taxes. Every dollar borrowed by the government today, must be paid back by future taxpayers with interest. Taxpayer-supported debt in British Columbia now totals \$20 billion - more than double what it was in 1990. B.C. now has the country's second fastest growing debt. Isn't it time to stop mortgaging our future? Support candidates in this election committed to making balanced budgets the law.

Ad two:

Every day, B.C. taxpayers spend over \$5,000,000 to pay interest on the provincial debt. That's because successive governments in British Columbia have racked up \$12 billion in new borrowing since 1990. Don't

send British Columbia down the same path travelled by other provinces and the federal government. Support candidates in this election committed to making balanced budgets the law.

Ad three:

Who should control your taxes? The politicians who spend them or the taxpayers who earn them? Last year, Manitoba became the first province in Canada to pass a law requiring voter approval before taxes can be raised. Voter approval would allow taxpayers a veto over new and increased taxes between elections. Support candidates on May 28th who are committed to real taxpayer protection: voter approval for new taxes and tax increases.

The Gossip What people are saying about the CTF

"They're out to lunch." Former Premier Mike Harcourt - September 1994

"They're a bunch of right-wing wackos." Premier Glen Clark -September 1994

"A strange little outfit that seems to get headlines now and again — I am not sure the head of it has ever had a real job." Deputy Premier Dan Miller - July 1996

"Stalinist style organization." B.C. Federation of Labour President Ken Georgetti - May 1997

rassed by the fall-out, Attorney General Ujjal Dosanjh agreed to suspend the fines pending a court review of the gag law's constitutionality. As for other groups in the CEO's black book, the Attorney General handed the whole issue off to a Special Prosecutor to determine whether the government should prosecute them for *Election Act* violations.

In a statement issued by the Attorney General's Ministry the Special Prosecutor concluded that "there was no substantial likelihood of conviction; nor was it in the public interest to proceed."

If it had not been for the aggres-

sive stance taken in opposition to the gag law by the CTF, the government may very well have tried to prosecute several citizens for the crime of expressing their opinions during an election campaign. The CTF put the "gag law" on front pages and at the top of the evening news. The government backed off when it recognized a growing public backlash against its imposition on free speech.

However, despite the CTF's efforts, the "gag law" remains intact. The last chapter has yet to close on this shameful abuse of government power. It's an abuse of power the CTF will continue to fight!

What the media is saying...

"The Federation has become one of the province's — if not the country's — most effective interest groups." - BC Business, July 1996

"The [MLA remuneration] panel has relied heavily on a brief from the B.C. branch of the Canadian Taxpayers Federation. It recommended throwing the whole rickety compensation structure out the window and starting over again, with transparency the watchword." - Victoria Times Colonist, Feb. 1997

"Ticked taxpayers in British Columbia are taking nothing for granted. In a preemptive strike before the federal budget, the [CTF] has organized three anti-tax gatherings it hopes will prompt the Finance Minister to look westward and read a few lips." - Vancouver Sun, Feb. 1995

"Whatever the bravado among politicians now, the whole issue of MLA pensions [in B.C.] would likely never have come to the fore had it not been for the work of the CTF. Since 1993, the organization has been calculating pension figures and circulating petitions for reform." - BC Report, July 1995

"Some taxpayers in British Columbia released a spat of letters protesting at being 'taxed to the max' and calling on the federal government to chop spending. The spat has become a flood...picked by the Canadian Taxpayers Federation." - *The Economist*, Feb. 1995

"A half-dozen to a dozen New Democrats could face campaigns to oust them from their seats in the legislature by the end of the year if a recall plan being developed by the Canadian Taxpayers Federation is taken up by local organizers." - Vancouver Sun, Feb. 1997.

An Open Letter to the Western Premiers



BRITISH COLUMBIA DIVISION

Dear Premiers Klein, Romanow and Filmon:

During your meetings with Premier Clark this week, could you please explain to him how you have managed to balance your provinces' budgets. Premier Clark keeps telling British Columbians that we have the country's best economy; yet his government has failed to balance a single budget in six years.

Perhaps each of you could provide Premier Clark with copies of your balanced budget laws. Legislated guidelines may help our Premier who has trouble keeping his word.

We're especially counting on you Mr. Romanow. Premier Clark doesn't say nice things about Conservative politicians so maybe, as a fellow New Democrat, he'll listen to you. We understand that your government has cut spending and is now paying down its debt. We also understand that you are reversing some of the tax hikes you imposed to achieve a balanced budget. Please Mr. Romanow, talk to Premier Clark.

Best wishes to all of you in your proceedings this

THE CANADIAN TAXPAYERS FEDERATION

When Premier Clark hosted the Western **Premiers** Conference in Campbell River in May 1997, the CTF was there to greet him with ads in local papers appealing to his three Western cousins to explain to him how to balance a provincial budget.

British Columbia CACCOMPLISHMENTS

1. B.C. office opens

The Canadian Taxpayers Federation (CTF) opens office in Victoria in November 1992.

2. Model initiative legislation

Prafted a model for citizen-initiated referendums in British Columbia and presented it to the Select Standing Committee on Parliamentary Reform in February 1993.

3. Debt clock tour

The CTF toured its debt clock through the B.C. interior in March 1994 with stops in Penticton, Kelowna, Vernon and Kamloops. The tour was part of a pre-budget awareness campaign.

4. Direct democracy conference

The CTF held its first conference in B.C. on April 16, 1994, on direct democracy. The one day event was covered coast to coast on CPAC, the parliamentary channel.

5. Initiative legislation passed

In June 1994, the B.C. government passed the *Recall and Initiative Act*.

6. Campaign to reform MLA perks

In October 1994 the CTF held a press conference in Victoria to release a report and announce a campaign to reform MLA compensation. The report showed that 20 MLAs were eligible for \$19 million in lifetime pension benefits, even though their collective contributions were a mere \$1.2 million. In addition, the CTF called for an end to MLA severance, tax exemptions on income and the Clean Office Policy which allowed retiring or defeated MLAs to keep, as their personal property, all taxpayer-provided constituency office furnishings and equipment.

7. Clean office policy no more

An all-party committee of the legislature voted unanimously to abolish the Clean Office Policy in January 1995.

8. Tax Alert campaign

A national campaign opposing proposed tax increases in the 1995 federal budget was launched at a rally in Kelowna on February 1, 1995. Additional rallies were held in Kamloops, Vancouver and Parksville. B.C. rallies featured Proposition 13 leader Joel Fox from California. Over 35,000 names opposing tax hikes were collected in B.C. including 11,000 on February 11th, dubbed "B.C. Tax Petition Day."

9. Perks petition presented

Over 15,000 signed coupons calling for the reform of MLA perks and benefits were presented in the B.C. legislature on April 19, 1995.

10. Conference on political renewal

A one-day CTF conference was held in Burnaby on June 3, 1995, addressing issues of economic and political renewal.

11. CTF opposes gag law

A new *Election Act* introduced in the B.C. legislature in June 1995 included a "gag law" which limited citizens and citizen groups from

spending more than \$5,000 advertising their opinions during election campaigns. The CTF vowed to challenge this law that had been struck down by



courts in other parts of the country on no fewer than three occasions.

12. Golden goose plucked

On July 5, 1995, the government introduced legislation abolishing the MLA pension plan effective the day after the next election.

13. Delivery of mock MP pension cheque

n September 11, 1995 — the last day MPs

voluntarily opt out of their pensions — the CTF delivered a mock cheque worth \$722,000 to federal MP David Ander-



son's office in Victoria, which represented how much he would earn in pension benefits to age 75.

14. Taxpayer protection campaign

The CTF launched a campaign in November 1995 in support of taxpayer protection legislation for B.C. which would prohibit deficits, eliminate the province's net debt over 25 years and give taxpayers the right to vote on new or increased taxes.

15. Call for an end to business subsidies

In April 1996 the CTF released a position paper recommending the B.C. government cut \$145 million in subsidies for business. The Federation's paper listed several profitable corporations that have received loans and grants from B.C. tax-payers.

16. Pre-election tax jitters

Prior to dropping the writ Premier Clark introduced a budget that cut personal income taxes and taxes on small business. The government also introduced legislation that would freeze major personal taxes and prevent the introduction of any new taxes to the year 2000.

17. Election advertising campaign

During the May 1996 provincial election the CTF invested \$45,000 in newspaper and radio ads asking voters to support candidates committed to balanced budget legislation and voter approval for new or increased taxes. The CTF also displayed its debt clock in British Columbia during the campaign.

18. CTF threatened by speech police

Shortly after the May 1996 election the CTF received several threatening letters and calls from Elections B.C. demanding compliance with regulations set out under the NDP's infamous "gag law."

19. CTF leads fight for accountability

In September 1996, documents surfaced which showed the government had knowingly and deliberately misrepresented the province's financial position prior to and during the May election campaign. Two "surplus budgets" suddenly became combined deficits of three-quarters-of-a-billion dollars. The CTF called for the immediate resignation of Finance Minister Andrew Petter and stated it would circulate a survey of its supporters to gauge support for the use of recall as a means to hold the government accountable.

20. No to no-fault

The CTF released a position paper opposing no fault auto insurance and joined forces with the "Coalition Against No-Fault" in November 1996.

21. Submission to Citizens' panel

In January 1997, the CTF made a major submission to a Citizens' Panel appointed to review MLA compensation. CTF recommendations included eliminating all tax exemptions on income and introducing a self-funding, group-RRSP to replace the old MLA pension plan.

22. MLA compensation reform

In March 1997, an all-party standing committee adopted a Citizens' Panel report on MLA remuneration, which, in the words of a *Times Colonist* editorial, "relied heavily on a brief from the Canadian Taxpayers Federation": tax exemptions on income eliminated, severance reformed and pensions moved to a self-funding group-RRSP.

23. Happy anniversary Premier Clark

One year after his election, the CTF took out two newspaper ads in Campbell River to coincide with the beginning of the Western Premier's Conference pleading with his counterparts to explain to Mr. Clark how a budget is balanced.

24. Gagged no more

The Attorney General's Ministry issued a statement that it would not prosecute the CTF for alleged violation of the NDP's election "gag law" because "there was little chance of conviction; nor was it in the public interest to proceed."

25. No-fault a dead end

The B.C. government announced in June 1997 that it was backing off on its imposition of no-fault auto insurance.

26. Recall the last election?

The CTF held a press conference in Prince George to announce that it would serve as a support organization for citizens interested in using the province's recall law. A survey in the fall of 1996 showed 80% of



CTF supporters in B.C. urging use of recall as a means to hold the government accountable for its budget lies.

Wall Street Journal editorial writer, John Fund said during a live interview on BCTV: "The people of B.C. can be proud of the role they played in launching a nation-wide tax revolt."

Summary of activities for B.C.

Studies/Position Papers:

The Canadian Taxpayers Federation prepared a comprehensive pre-budget submission and made a presentation before Treasury Board officials on December 10, 1996. Also in December 1996, the CTF made a major submission to a Citizens' Panel appointed to review MLA compensation.

Surveys:

Comprehensive supporter input was sought and included as part of the CTF's pre-budget submission. The annual fall survey also led to the CTF taking an active role in opposing no-fault auto insurance and supporting the use of recall as a means to hold the NDP accountable for its budget lies.

Petitions:

Petitions continue to be circulated in B.C. on three subjects: changes to the Recall and Initiative Act; the elimination of business subsidy programs and support for enactment of balanced budget/taxpayer protection legislation.

Speaking Engagements:

CTF representatives in B.C. spoke at eleven events in 1996-97.

Media Summary:

The CTF-BC office handled the following media volume in 1995-96: 78 newspaper interviews, 21 magazine interviews, 55 radio interviews, 30 television interviews, 26 talkshow appearances, 19 requests for background material. Nineteen news releases and advisories were issued.

golden goose plucked

At its first press conference ever held in British Columbia in October 1994, the CTF released a report calling for reform of MLA compensation. Included as part of the recommendations were: reform of MLA pensions, an end to tax exemptions on income, severance allowances and the "Clean Office"

Policy" that allowed retiring or defeated MLAs to keep all their taxpayer-provided constituency office furnishings and equipment.

Then government caucus chair MLA
Ujjal Dosanjh fired off an angry three-page
letter arguing that the CTF's recommendations
were "highly suspect," full of "error and distortion" and without "rationale." Mr. Dosanjh went
on to defend committee and "tax free allowances"
as "prudent provincial policy" and added that "the
current system is accountable." In summary, he
wrote the CTF's recommendations "cannot be a
basis for long-term decision making."

Oh really, Ujjal?

One month after Mr. Dosanjh penned his letter, the "Clean Office Policy" was canned. Six months later, then

Attorney General Colin Gablemann announced that effective the day after the next provincial election the MLA pension plan would be terminated.

The final chapter came in March 1997 when the all-party Legislative Assembly Management Committee adopted several recommendations forwarded by a Citizens' Panel including an end to tax exemptions on income earned by MLAs and a wholesale reform of the severance plan.

These changes happened for one reason: The CTF and its supporters pressed the issue. Commentaries, news releases, two major reports and 20,000 petitions made a difference. As one magazine article put it: "The whole issue of MLA pensions would likely never have come to the fore had it not been for the work of the CTF."

More gratifying is to see Ujjal
Dosanjh and his caucus
buddies now embracing every recommendation made by
the CTF in its first report
presented two-and-a-half
years ago.

he CTF has been the country's foremost advocate of limiting the ability of politicians to

tax, borrow and spend. Proposals forwarded by the CTF have led to significant gains for taxpayers in Saskatchewan, Alberta and Manitoba.

Saskatchewan and Alberta have balanced budget laws while Manitoba adds financial penalties for the premier and cabinet if the budget isn't balanced.

Manitoba's law also includes a mandatory debt reduction schedule and requires voter approval before major taxes can be raised. Other provinces, including New Brunswick and Nova Scotia, have also caught on. And in the Yukon Territory, a deficit actually triggers an election.

In November 1995, the CTF held a press conference in Victoria to unveil model balanced-budget/taxpayer-protec-

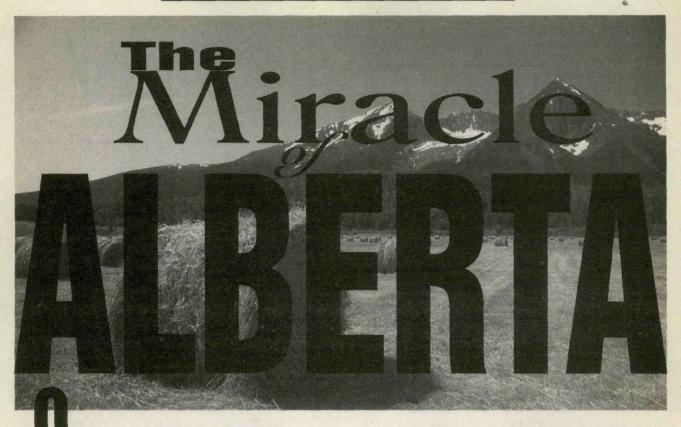
tion legislation for the province of B.C. which would prohibit deficits, eliminate the province's net debt over 25 years

and give taxpayers the right to vote on proposed tax increases.

In advance of an election call, both major opposition parties included most of the CTF's proposal as part of their election platforms. Moreover, the *Consumer and Tax Rate Freeze Act*, introduced on April 29, 1996, froze all major personal taxes and prevented the introduction of any new taxes prior to the year 2000.

Ever since the government introduced a voluntary threeyear tax freeze in their 1994 budget, the CTF has challenged them to entrench this commitment into law. While the new act is far from comprehensive, it is a positive first step in a direction the government previously refused to tread.

ALBERTA



ne of the most cherished treasures of any politician is his or her taxpayer-subsidized pension plan. A few years ago, Alberta MLAs had the most lucrative pension in North America with many of them eligible for individual lifetime pension benefits of between \$2 million and \$4 million.

Today, that plan is gone. May 1, 1993, marks the anniversary date for the taxpayer miracle of Alberta. It proved that average citizens can make a difference when they get involved.

The catalyst

The catalyst for this momentous change was the Alberta branch of the Canadian Taxpayers Federation. On November 14, 1991, the CTF fired the first salvo in the pension war with the release of its study on the plan. At that time, CTF spokespersons described the plan as an unconscionable abuse of public funds and called for an end to the

scheme.

In a media interview, a visibly-upset Premier Don Getty blasted the CTF report, calling it a "pile of baloney" and denounced it as being inaccurate.

However, when the Getty government was unable to discredit the study, it set up a special committee to study the plan. But Albertans didn't fall for the obvious stall. People wrote hundreds of letters to their local papers condemning the taxpayer rip-off. Talkshows sizzled with irate callers. Politicians were receiving phone calls and letters from angry constituents.

One farmer confronted an Alberta cabinet minister at a meeting that had been called to discuss agricultural issues. The crowded hall broke out into a thunderous applause. From that moment on, all the people wanted to talk about was the MLA pension plan.

An election call

A provincial election would soon have to be called and the polls were not

good. In the face of mounting pressure, Premier Don Getty resigned and Ralph Klein was chosen as Alberta's new premier in November 1992.

With the prospect of facing an ornery electorate, a number of Tory MLAs began announcing they would not be running in the upcoming election. In response, the CTF introduced its popular "MLA Golden Handshake Report" which kept taxpayers updated on how much the latest retiring MLAs would cost taxpayers. People were stunned to find out that average first year pension benefits worked out to \$90,000.

By the spring of 1993, Klein was facing a massive battle within his own caucus. Retiring MLAs wanted to keep their extravagant pensions, but those MLAs seeking re-election didn't want to lose the next election. The Liberal and New Democratic parties were promising major changes if elected, and the MLA pension plan was emerging as the major election issue. Klein

ALBERTA

initially tried to push through minor reforms, but no one took the bait.

The CTF campaign

Meanwhile, the CTF had started a coupon campaign calling for major reforms to the plan. Hundreds of names flowed into its office each week. People spent their Saturdays collecting names at malls and flea markets. It was a spontaneous movement by outraged taxpayers.

The death knell for the MLA pension plan sounded April 20, 1993. Jason Kenney, then CTF Executive Director, called a news conference to deliver 30,000 coupons to the Klein government. While being interviewed by reporters at the Alberta Legislature, he was confronted by Premier Klein who accused the CTF of "robbing seniors." Kenney insisted that it was taxpayers who were being robbed. The 15 minute debate became headline news across Alberta. The *Edmonton Sun* said it best: "Alberta Premier Ralph Klein picked a fight yesterday and

lost."

The next day the CTF's phones rang off the hook as incensed seniors called wanting to join and sign the petition. One senior said if joining the CTF was equivalent to being robbed, then she wanted to be robbed.

The end of the plan

With the election just weeks away, Klein finally caved in, and on May 1, 1993, he announced the end of the MLA pension plan. MLAs elected before 1989 would be eligible for reduced benefits; those elected after that date, including Klein himself, would have their contributions returned and pensions terminated. Klein went on to win the June provincial election.

The victory, however, doesn't belong to the CTF. It belongs to the people of Alberta. If they wouldn't have called, written and confronted their politicians, the MLA pension plan would still be in place today. The CTF simply pointed them in the right direction, and Albertans did the rest.



Bob Matheson, former CTF board member, with 30,000-name petition calling for an end to the lucrative Alberta MLA pension plan.

The Gossin What people are saying about the CTF

"They're full of hot air."

Keith Maskell, Edmonton president of the
Canadian Media Guild, on the CTF Edmonton Sun, June 8, 1996

"That's a fairly stupid comment."

Alberta lieutenant-governor Bud Olson, on the
CTF's call for him to give up part of his
pending \$76,000-a-year pension (as an M.P.,
senator, and lieutenant-governor.) - Edmonton
Sun May 18/96

"The Canadian Taxpayers Federation is an effective watchdog against government spending abuses." Diane Francis - The Financial Post, Dec. 19, 1996

"Sponsored by corporate interests."

Columnist Dalton Camp on the CTF Edmonton Journal, 1995

"...as loopy as the loopiest Canada Council grant to the loopiest multicultural performance art troupes..."

Alan Kellogg, Edmonton Journal's Arts and Entertainment critic, on the CTF's suggestion to end government funding of the arts. - Edmonton Journal, May 2, 1996

"A hard-workin' and God-fearin' and common-sensical bunch."

Columnist Jim Coyle, on the CTF. - Edmonton Journal, April 20, 1996

"Alberta is home to one of the most vociferous anti-government, anti-debt taxpayer lobby groups in the country."

Columnist Robert Sheppard, on the CTF -Globe & Mail, April 16, 1996

"... have provided taxpayers with an outlet for their anger."

Maclean's, March 6, 1995 – on the CTF

ATERORA

Taxpayers have lost billions of dollars on business boondoggles in Alberta.

Banning government loans to businesses important battle

The Alberta

government has led the way in Canada with the introduction of The Business Financial Assistance Limitation Statutes Amendment Act 1996, which serves to protect taxpayers' dollars from political forays into business ventures.

However slow it was in coming, the legislation was necessary. While Albertans will no longer see their tax dollars going to fund the pet projects of politicians, they still have to pay the bills for more than \$2.3 bil-

lion in previous business boondoggles. This total does not include the additional interest costs that have had to be paid over the years as these financial disasters added to provincial deficits.

Albertans learned the hard way that the idea of government diversifying the economy by providing loans and loan guarantees, or by investing in the private

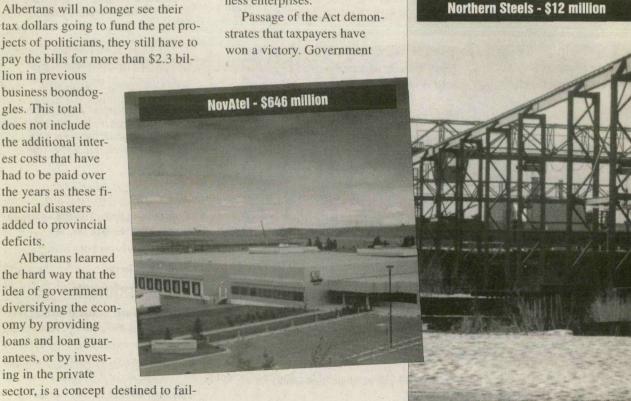
ure.

Whether it was the Swan Hills plant that swept \$410 million tax dollars into the garbage, or Nov-Atel's \$646 million loss, Alberta residents had to be protected from such financial disasters.

The CTF began a campaign for "No More Boondoggle" legislation to outlaw direct or indirect provincial financing of private business enterprises.

Passage of the Act demonstrates that taxpayers have

was forced to get out of the business of being in business. The legislation prohibits new loans and guarantees from being issued without the passage of specific legislation, ensuring full public debate. It also forces a legislative review of any program, act or agency currently permitted to grant loans or guarantees before 1999.



ALBERTA

Alberta HIGHLIGHTS ACCOMPLISHMENTS

1. MLA pension plan reform

For two years, the CTF exposed the lucrative Alberta MLA pension plan. It presented a 30,000 name petition calling for its reform. On May 1, 1993, the MLA pension plan was abolished.

2. Freedom of Information legislation

Collected 20,000 signatures in 1991, demanding a Freedom of Information Act, which was eventually passed in 1993.

3. Education roundtables

In October 1993, participated in the provincial government's roundtables on education which looked at making the educational system more efficient and effective.

4. Budget roundtables

Took part in Budget Roundtables between March 1993 and September 1994 which brought together Albertans from all walks of life to discuss Alberta's fiscal challenges.

5. Balanced budget legislation

For two years, the CTF advocated the need for balanced budget legislation and was rewarded with the passage of the *Deficit Elimination Act* in May of 1993. In April 1995, the Act was extended to include a mandatory debt repayment schedule.

6. No more boondoggles legislation

Research uncovering billions of dollars lost on business loans and guarantees brought pressure to bear upon the provincial government. In March 1996, the government introduced legislation which significantly limits government's ability to subsidize business.

7. Taxpayer protection legislation

Promoted taxpayer protection legislation that

I would limit the Alberta government's ability to tax. In May 1995, the Taxpayer Protection Act was proclaimed but it only applied to sales tax. The campaign continued to expand the terms of the Act, and during the 1997 provincial



election campaign, Premier Klein committed to introducing a bill which will give Albertans a veto through a referendum over any personal income or business tax increases. In the ensuing 1997 Legislative Session, a bill extending taxpayer protection to Alberta's personal income tax rates was tabled.

8. MLA Capital Residence Allowance

Exposed abuse of the Alberta Capital Residence Allowance resulting in eligibility rates being tightened up. MLAs must now live at least 90 miles away in order to collect living expenses.

9. Constitutional reform

Made a presentation to the Alberta Select Committee on Constitutional Reform calling for initiatives and referendums, limits on growth of government spending and limits on borrowing.

10. MLA compensation reforms

A fter exposing MLAs' abuse of their capital residence allowance, MLAs must now live over 90 miles away to receive living expenses. A review of pay and perks of MLAs in the fall of 1993 resulted in the implementation of a number of CTF recommenda-

ALBERTA

tions including the elimination of tax-free allowances and severance packages.

11. Alberta Roundtable on debt

Sponsored the "Radio Roundtable on Reducing Public Debt" from January to March, 1994. The spots featured business leaders, economists and public policy experts and were broadcast across Alberta.

12. Ratepayers conference

In November 1994, organized a ratepayers conference in Red Deer, bringing together ratepayer groups from across the province to discuss strategy for the proposed new *Municipal Government Act*.

13. 1995 Tax Alert rallies

A national campaign opposing potential tax hikes

Ain the 1995 federal budget featured standing room only at an Edmonton rally. There were also



packed out auditoriums in Red Deer and Calgary.

14. Alberta Heritage Fund

Made a proposal in February 1995 on the future of the Alberta Heritage Savings Trust Fund, recommending that it be reconstituted and managed at arms' length from government.

15. CTF delivered \$2.1 million cheque

On September 11, 1995, CTF delivered a mock cheque worth \$2.1 million to federal MP Anne McLellan in Edmonton, which represented how much she would earn in pension benefits to age 75.

16. Direct democracy conference

Organized a one-day conference in June 1995 to assess the potential for adopting direct democracy mechanisms in Alberta.

17. Pre-budget submission

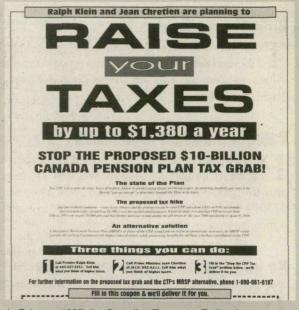
In February 1996, in a pre-budget submission to the Alberta government, the CTF stressed the need for lower taxes and accelerated debt reduction. Recommended that the *Deficit Elimination Act*, and the *Balanced Budget and Debt Retirement Act* be consolidated into one law that would include financial penalties for politicians if they run a deficit.

18. Draft referendum legislation initiated

Produced and released draft citizen referendum legislation in February 1997. Surveyed the leaders of main parties contesting provincial election for their position on direct democracy.

19. CPP ad campaign

In conjunction with the CTF's campaign proposing reform of the Canada Pension Plan (CPP), ads outlining the CTF's solution - a gradual switch to a Mandatory Retirement Savings Plan (MSRP) and no tax increases - were placed in major Alberta daily newspapers.



In February 1997, the Canadian Taxpayers Federation sounded the alarm in Alberta about the Canada Pension Plan tax-hike, initiated by Ottawa and agreed to by Alberta. The CTF proposed a gradual switch to a Mandatory Retirement Savings Plan (MSRP) and no tax increases.

ALBERTA

SUMMARY of activities for Alberta

Studies/Position Papers

The Canadian Taxpayers Federation prepared comprehensive draft citizeninitiated referendum legislation and a background paper in February 1997. The CTF stressed the need for citizens to have direct input in the political process.

Surveys

Comprehensive supporter input was sought and included as part of the CTF's pre-budget submission. The annual fall survey sought supporters' views on VLTs, citizen initiatives and referendums, Alberta Treasury
Branches, direct school funding, and reducing the number of MLAs.

TaxFax Summary

TaxFax is a bi-weekly fax sent to approximately 2000 supporters across the province. The commentary provides timely information on up-to-date issues of concern to our members.

Petitions

Petitions continue to be circulated in Alberta on three subjects: changes to the *Taxpayer Protection Act*, citizen initiatives and referendums, and tax cuts. In addition, several peti-

tions on federal issues such as the Canada Pension Plan tax hike and MP pensions continue to be circulated.

Speaking Engagements

CTF representatives in Alberta spoke at 12 events in Alberta in the 1996/97 year, including a speech to a group of almost 400 people in Red Deer who wanted to know how to set up a ratepayers' group.

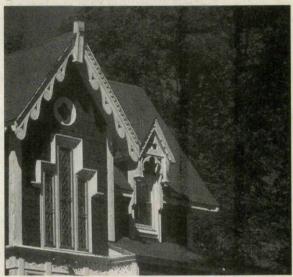
Media Summary

The CTF-Alberta office handled the following media volume in 1996-97: 169 newspaper interviews, 38 magazine interviews, 85 radio interviews (including talkshows) and 54 television interviews. Eight news releases were issued.

Let's Talk Taxes Summary

Let's Talk Taxes is a weekly commentary sent out to newspapers and media contacts across the province. It is also posted "on-line" and accessible to 95 Alberta newspapers and five Northwest Territories papers. The commentary is also faxed to approximately 30 additional community newspapers who use it on a semi-regular basis.

Bringing government closer to home



The Canadian Taxpayers Federation has always maintained that the closer government is to the people, the more responsible that government will be.

Therefore, when Bill 31, the new *Municipal Government Act*, was introduced in the Alberta Legislature it was a major win for the taxpayer movement. The Act gives broader powers and added responsibility to municipal governments. The provincial government is transferring taxing, spending and decision-making authority closer to those footing the bill.

While municipal officers are now able to look to taxes as a way to raise money for pet projects, the accountability of these individuals and councils is also accentuated. Their decisions affect people much more directly than choices made far away by provincial politicians in Edmonton. Municipal leaders are also much more visible and accessible than their provincial counterparts.

The changes mean it is even more important for individuals to be organized and watchful of their local government. That is why the CTF decided to host a ratepayers' conference in response to the changes. The conference provided information to citizens as to how ratepayers' groups can be organized. As well, participants heard speakers on a variety of topics, such as the *Municipal Government Act* itself, how property is assessed, and how local government spending requirements have increased in recent years.

The information given to Alberta ratepayers helped them deal with the changes made by Bill 31 and the opportunities it provided.

FIRST ties ties to

for taxpayer protection laws

ince its inception in 1990, the Canadian Taxpayers Federation has fought for taxpayer protection legislation in Saskatchewan. Budgetary deficits must be outlawed and restrictions must be placed on politicians' ability to tax and spend.

Just prior to the 1991 provincial election, the CTF successfully pressed the Devine government to place a plebiscite question before Saskatchewan voters regarding a balanced budget law. Partly because of the Federation's work to bring the debt crisis to light, 80% of Saskatchewan taxpayers voted in favour of a balanced budget law.

In February 1994, after months of work, the Federation presented to the public, and all Saskatchewan politicians, draft taxpayer protection legislation. The CTF and its supporters have been battling to see its *Taxpayer Protection Act of Saskatchewan* put in place. Some battles have been won, and some still remain.

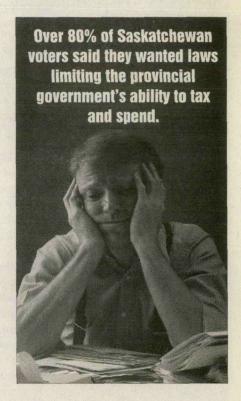
The Federation's proposal would outlaw all deficit financing, and would force politicians who can't balance the budget to take a pay cut. This legislation would also freeze all taxes unless the people said differently in a province-wide binding referendum. This would prevent tax-addicted politicians from using taxpayers' pockets to fund more spending. If, for instance, the politicians wanted to raise the PST from 7% to 11%, the public would all get a chance to vote on the proposal, and unless at least 50% said they wanted a higher tax, it would not go through.

To date, over 43,000 Saskatchewan taxpayers have signed petitions demanding a taxpayer protection law. Shortly before the last provincial election, the NDP government was forced to introduce a balanced budget law of its own. While it does require a balanced budget and ensure that the sale of Crown assets be directed to debt reduction, it falls short in other areas. It doesn't penalize politicians who fail to balance the budget and doesn't limit tax increases.

In the meantime, even better proposals have caught on in other provinces. The Manitoba government requested a copy of the CTF's proposal and has since passed legislation which virtually mirrors it. Manitoba

taxpayers have a guarantee against deficits and the right to veto tax hikes at the ballot box. Finally, a failure to balance the budget results in pay cuts for the Premier and his cabinet.

Saskatchewan taxpayers are committed to obtaining such laws more than ever. Recent public opinion polls show support for the provisions has



grown. During the last provincial election, all party leaders were invited to attend a CTF event which challenged them to publicly sign a pledge committing themselves to tax

limits. The Romanow campaign didn't bother to acknowledge the invitation, but both opposition leaders publicly signed the pledge, and together received over 50% of the vote on election day.

If taxpayers keep up the fight, the next provincial election could see all candidates forced to support the Taxpayer Protection Act.

but the kitchen sink

members of all political parties, the policy was revoked in the fall of 1992. The CTF campaign resulted in a change that

means all constituency office equipment and furnishings remain the property of the province.

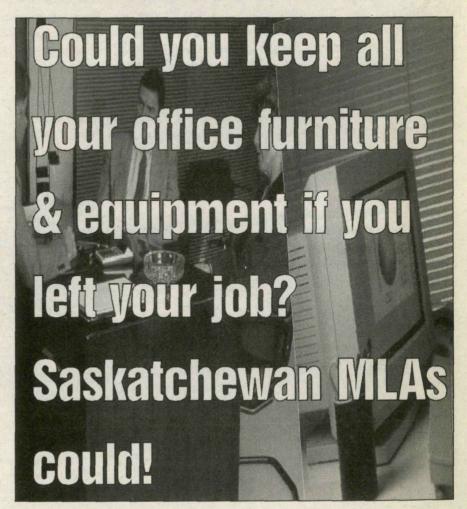
hat would happen to you if after you quit your job, you decided to take all your office equipment with you? Most of us would end up in jail, but not all of us.

Prior to 1992, computers, typewriters, fax machines, desks, tables, chairs, bookcases, filing cabinets, calculators, radios, televisions, cellular telephones, answering machines, coffee machines, cleaning equipment and even carpets and drapes - everything taxpayers provided for MLAs to operate their constituency offices became the personal property of the MLAs when they left office.

Even worse, there was no accountability. The MLAs weren't even required to provide receipts or a breakdown of how much they spent or even what was in their offices.

While this was common practice, it was intolerable for taxpayers. So in 1991, the CTF initiated a campaign to have the law changed.

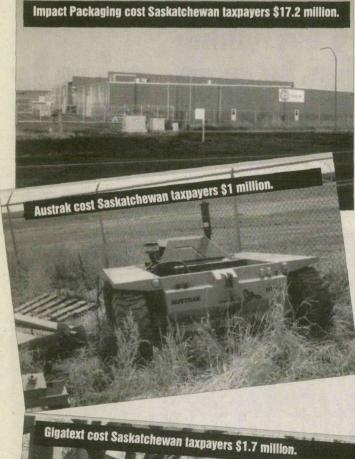
After several months of intensive lobbying to gain commitment from



Vol 9 No 5/97 - 39

Closing down the pork barrel

SEDCO ceases operation - A history of wasted tax dollars!



The Saskatchewan Economic Development Corporation (SEDCO) was a Crown-owned company that provided financial assistance to business in the province.

The CTF researched the financial practices of the Crown and found serious reason for concern. Hundreds of millions of taxpayers' dollars were at risk because of questionable loan practices by SEDCO.

In 1993 the company had lost \$47 million. In 1992, taxpayers ate \$43 million. Each year SEDCO was spending more than \$10 million for administration. Total debt had ballooned to

over \$300 million.

A massive campaign was launched by the CTF calling for the shutdown of SEDCO. The campaign centered around a TV advertising blitz listing the millions of tax dollars that had been lost Petitions flooded into the CTF's Regina office, culminating with a press conference delivering 15,000 signatures to the provincial legislature with one simple message - "Don't rename it. Don't disguise it. Shut it down!"

In 1993 the provincial government made the decision to end SEDCO's operations. Taxpayers had won a significant victory.



CTFs fight for a tax cut Oays its first alviagna

Saskatchewan has the highest tax burden in the country. In fact, at 53% of household income, Saskatchewan is the only province in Canada where over half of one's income goes just to pay taxes.

Prior to the 1997 Saskatchewan budget, the CTF launched a campaign to promote lower taxes. The politicians finally got the message.

As a result of the CTF's efforts, the Saskatchewan government announced a reduction in the provincial sales tax (PST) from 9% to 7%. This will mean \$180 million put back into provincial taxpayers' pockets annually.

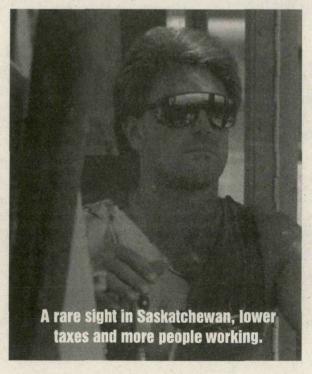
Not surprisingly, Saskatchewan residents have been rewarded with another dividend from reduced taxes: jobs.

Since the tax cut, Saskatchewan has been setting records for the total

number of people working in the province, hitting nearly 500,000 people.

More jobs translates into more taxpayers which means more tax revenues. In addition, there has been a noticeable drop in the number of individuals receiving social assistance. Over the years, the government has repeatedly looked to its low unemployment rates as an indication of success. However, this low rate simply reveals that people were heading to Calgary to find work. But the actual job numbers, on the other hand, reveal an entirely different picture. The government has even admitted the new jobs were a direct result of the tax cut.

The PST cut is a welcome first step. However, even with it, Saskatchewan taxpayers continue to shoulder the heaviest tax burden in the country. The CTF campaign for lower taxes continues, calling for a three-year commitment to reduce the PST to 5%, and for the complete elimination of the so-called "temporary" 10% income surtax.



Summary of activities 1996-97

Studies/position papers:

The CTF proposed draft legislation for a Saskatchewan balanced budget law with penalties for politicians who break the law, a debt repayment plan, and taxpayer protection—including voter control over all future tax hikes.

Petitions/Campaigns:

The CTF was busy campaigning this year for direct democracy in Saskatchewan. The Federation spoke out on the need to have more referendums. In addition, the CTF collected over 70,000 petitions demanding Taxpayer Protection Legislation be enacted; over 30,000 petitions to support greater public accountability from Crown monopolies such as SaskPower; and is working on an ongoing petition to Parliament to reject further CPP premium increases.

Media Summary:

The CTF in Saskatchewan recorded 252 media interviews for 1996-97: 117 radio interviews, 71 newspaper/journal interviews, 34 news releases, and 30 television interviews.

Let's Talk Taxes Summary:

Let's Talk Taxes are written on a weekly basis and are published in local papers throughout Saskatchewan. Some issues addressed by the column were the illegitimacy of the SaskEnergy rate hike, Tax Freedom Day, SOCO, taxpayer protection and native financing.

Saskatchewan HIGHLIGHTS CACCOMPLISHMENTS

1. Saskatchewan Futures Corp stopped

Research on the activities of the Saskatchewan Futures Corporation revealed a questionable use of tax dollars. The resulting uproar pressured the government to close the corporation.

2. Plebiscite on balanced budget law

The CTF raised awareness and support for balanced budget legislation. The CTF pressed the provincial government to hold a province-wide vote on the matter in conjunction with the 1991



provincial election. Over 82% of voters cast their ballots in support of such legislation.

3. Clean office policy eliminated

Exposed the government policy that allowed EMLAs to keep constituency office furnishings and equipment when they retired or were defeated. The policy was revoked in the fall of 1992.

4. Accountability of MLA allowances

CTF staff exposed the extravagant severance allowances of Saskatchewan MLAs. Subsequent public pressure resulted in the severance allowance being revoked on March 21, 1991.

5. MLA perk reforms

Raised awareness of allowances MLAs were entitled to receive without receipts. The policy was changed in 1992.

6. FOI Act passed

Raised awareness of and pressed the need for Freedom of Information legislation which was passed in June 1991.

7. Closed down SEDCO

Over a two-year period, the GTF exposed the

questionable spending of the Saskatchewan Economic Development Corporation, which provided financial assistance to businesses in Saskatchewan. As a result of



15,000 coupons and a TV ad campaign, SEDCO was closed in early 1994.

8. Provincial taxpayers conference

On Nov. 20, 1993, the CTF hosted the first-ever Saskatchewan Taxpayers Conference in Saskatoon with guest speakers from Los Angeles, New Zealand & Toronto. Over 350 delegates attended.

9. Launched balanced budget campaign

Introduced model legislation to the government which would eliminate the annual deficit within two years, and prevent any future deficits except in the case of an emergency. The proposal would also allow taxpayers the right to approve or veto new or increased taxes at the ballot box.

10. Debt clock tour

Toured the province with the CTF debt clock in early 1994.

11. National Tax Alert campaign

Joined in a national campaign to stop tax increases prior to the 1995 federal budget. Featured a well attended rally in Saskatoon.

12. Debt clock tour II

The CTF-Sask launched its 2nd debt clock tour in August 1995. Toured eight locations around the province collecting petitions and pushing for a balanced budget law.

13. Balanced budget campaign

The CTF-Sask delivered over 15,000 coupons to the Legislature calling for a Balanced Budget Law in Oct. 1994. A few months later a \$30,000 advertising campaign was kicked off on May 10, 1995, concurrent with the provincial election campaigns, and including newspaper and TV ads to pressure the government to

commit to an effective taxpayer protection law which included mandatory balanced budgets, debt elimination and voter approval for new or increased taxes. A further 30,000 petitions have been collected and delivered.

14. Taxpayer protection pledge

In the last week of the 1995 election, the CTF-Sask challenged all political parties to sign the "Taxpayer Protection Pledge." Both opposition party leaders signed the pledge at news conferences.

15. Provincial sales tax cut

A fter years of battling the provincial government to reduce taxes, the CTF was rewarded with a reduction in the provincial sales tax from 9% to 7%.

TAPPERS' RIGHT TO KNOW

S ince taxpayers pay the price for government decisions, it would seem only fitting they

should be privy to the details of their decisions. Unfortunately, for many years, this wasn't the case in Saskatchewan.

As one of its first major campaigns, the Canadian Taxpayers
Federation undertook to have this changed. The CTF drafted the Saskatchewan Freedom of Information Act, a piece of model legislation that combines proposals from the past made to the Saskatchewan government, as well as parts of legislation already enacted in Manitoba and Ontario.

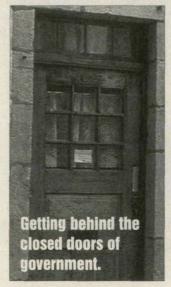
Since Saskatchewan was one of the few provinces that didn't allow citizens access to such infor-

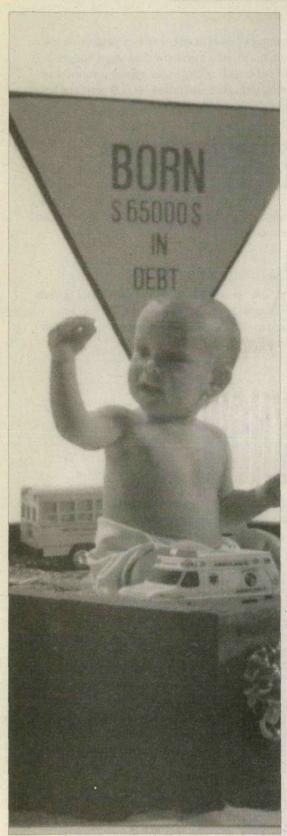
mation, the CTF argued that the right to obtain information concerning government departments, agencies, and corporations is fundamental. The

simple virtue of being a taxpayer should justify one being entitled to know how his or her money is being spent.

The CTF also argued that people need information to adequately evaluate a government's performance in order to make an informed and responsible choice at election time. The hoarding of such basic information by a government shows a contempt for the public.

CTF representatives were called in to meet with then Premier Grant Devine and members of his cabinet. The efforts were rewarded with the passage of the Freedom of Information Act in 1991. ■





STOP THE FISCAL CHILD ABUSE

Truth in advertising. Some expect it during election campaigns: most don't.

The 1995 Manitoba election was a radical break with tradition. On the line was the toughest taxpayer protection act in Canada. Entering the provincial election, the Filmon government had promised to pass the Act, if re-elected. The legislation, which was adopted from a similar plan proposed by the Canadian Taxpayers Federation, disallows annual deficits and requires a referendum before several specific taxes can be increased. It also features a 20% pay cut for Cabinet Ministers if a deficit is incurred and a further 20% if it happens again.

The Liberal and New Democratic parties wouldn't endorse the proposed legislation but gave lukewarm lip-service to its general principles. Liberal leader Paul Edwards said his party would support a law requiring the books to be balanced over a four-year period. Gary Doer of the NDP claimed that the last NDP government had balanced its budget.

Having learned about big advertising plans by proponents of everrising government spending, the Manitoba Taxpayers Association decided to act. In an election where political advertisers outnumbered political parties, the MTA entered the fray with a controversial set of TV and billboard ads supporting balanced-budget legislation.

For a fraction of the \$700,000 spent by a myriad of special interest groups, the MTA was able to neutralize their advertising assault on taxpayers with spots on TV and billboards.

"STOP FISCAL CHILD ABUSE!" demanded the TV ad. In the background a baby was playing in a sandbox full of loonies while its toys, a 'medicare' ambulance and an 'education' school bus, slowly sank out of sight in a quicksand of debt and interest costs.

"Overspending by government," an announcer explained over the strains of a nursery song that grounded to halt at the commercial's end, "threatens valuable services like health care and education." Viewers were shocked to learn that the baby was "born \$65,000 in debt." As the baby began to sink out of sight, the spot concluded by asking voters to support balanced budget legislation. The message of these ads was very deliberate, because government debt and deficits threaten to destroy the standard of living of future generations. Truth in advertising shocked many Manitobans, but people clearly understood the message behind the MTA ads.

Today, Manitoba has the most comprehensive balanced budget, tax-payer protection act in the country.

What they're saying about the MTA....

The letters

"... the Manitoba Taxpayers Association's help was an integral part of our success in having last year's referendum upheld by the Municipal Board of Manitoba."

- Dianne Wright, Secretary-treasurer, Tache Ratepayers Association, Letters to the Editor, Free Press, 1997

The media

"Adding to the tax-cut volume [are] groups like the Manitoba Taxpayers Association which are adamant it's time [Finance Minister] Stefanson allow people to keep more of their hard-earned money in their pockets."

- Winnipeg Free Press, September 1997

"The Tories have been under pressure from...the Manitoba Taxpayers Association to lessen the tax burden."

Winnipeg Free Press, October 29, 1997

Taxpayers group outraged

"The Manitoba Taxpayers Association said it's offensive that taxpayers are required to reimburse politicians for their campaign costs."

Winnipeg Free Press, October 20, 1997

"Recently Victor Vrsnik of the Manitoba Taxpayers Association wrote an article suggesting the overspending by the 1960s generation has placed a terrible burden on young Canadians and the unborn. He said the menace of the debt, combined with demands for higher payments to the CPP, represent a huge inter-generational transfer of wealth."

- Free Press Editorial Board, June 15, 1996

The government

The [balanced budget] legislation has been widely praised... The Canadian Taxpayers Federation... described it as 'model' legislation for other jurisdictions."

- The Honourable Eric Stefanson, Finance Minister, The 1996 Manitoba Budget Speech.

"I think [the MTA's] suggestions [for municipal taxpayer protection] have some validity in terms of making sure that there is accountability and that the taxpayer does have some meaningful input into how his or her tax dollars are spent..."

The Honourable Len Derkach, Minister of Rural Development, Minutes from the Standing Committee on Municipal Affairs, October 17, 1996

"I think [municipal taxpayer protection] is an excellent idea. I feel taxpayers should have this opportunity. If two-thirds don't want it, we shouldn't be going ahead."

- Tony Pimentel, Councillor, Winnipeg Beach, Interlake Spectator, Oct. 28, 1996

Fighting waste at Winnipeg City Hall!

1. Research funded by members

The Manitoba Taxpayers Association (MTA) concluded that the City of Winnipeg posed the greatest threat of a tax increase for Manitobans in 1997. The MTA research focused on specific line-by-line budget decisions and expenditures. While City Hall was quiet over the 1996 Christmas holidays, the MTA prepared a report on overspending called, "The devil is in the details," itemizing \$23 million in overspending.



2. Education & Awareness

From September to December 1996, the MTA focused on building its profile as the "unofficial opposition party" at City Hall. In January 1997, the MTA used its profile to ensure a successful release of "The devil is in the details." The report was attacked by the City's Executive Policy Committee members.

3. Taxpayers on the offensive

The MTA generated coverage in over 50 media stories in as many days for its criticism of City budgeting. The MTA used traditional tools - speeches, *TaxFaxes*, *The Taxpayer* and the media - to give Winnipeg taxpayers details on City Hall savings opportunities directly, and information on how they could pressure individual councillors on their own.

The MTA closed its budget campaign by publishing the first annual edition of the *Taxpayers' Hansard*, a guide to individual councillor's voting records on tax and spend issues. The *Hansard* clearly demonstrated that the Mayor has a working majority that speak for fiscal responsibility but frequently vote for tax increases and costly spending packages.

4. Reform takes root

The 1997 campaign created pressure for a business tax freeze and built support for a sweeping City Hall restructuring package. Councillors also created a new "Expenditure Management Committee," a quasi-treasury board similar to a committee called for in the MTA's "The devil is in the details."

Meanwhile, the MTA was invited to take its first-ever seat on a government ommittee - City Hall's "Red Tape Review Panel" - to explore alternatives to the existing and costly mass of City Hall regulations.



Manitoba HICHINGHIS CACCOMPLISHMENTS

1. Freedom of Information:

The MTA led a public relations offensive in the summer of 1997 with a group of journalists, civil rights groups, and librarians to successfully head-off amendments to the *Freedom of Information Act* which would have restricted Manitobans' access to government documents.

2. Eatons Place subsidy:

The MTA stood alone in the summer of 1997 as it mounted an information offensive to oppose a \$4.5 million government hand-out to Eaton Place - a move designed to keep Winnipeg's downtown Eatons in operation. Public support for the business subsidy faded, Eatons closed negotiations and subsequently the deal collapsed.

3. The devil in the details report:

MTA research exposed \$23.4 million in spending overruns in the City of Winnipeg's 1995 budget. MTA recommendations for Treasury Boardstyle spending controls were met with the creation of the Expenditure Management Committee.

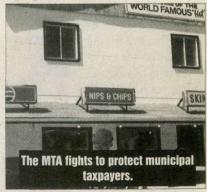
4. City Taxpayers' Hansard:

MTA research on 1996 voting patterns for Winnipeg City councillors culminated in the publication of the Winnipeg Taxpayers' Hansard, a document designed to enhance public awareness on City Council voting records.



5. Municipal Taxpayer Protection: Tn 1996, the

In 1996, the MTA drafted model legislation designed to protect municipal taxpayers from excessive taxation and debt. The proposal was presented to the



Ministry of Rural Development. The MTA continues to circulate petitions in support of Municipal Taxpayer Protection, described by Minister Derkach as having "validity" and "merit."

6. Lorette taxpayers protection initiative:

TA assistance to taxpayers in Lorette was described by the local ratepayers association as "an integral part of our success." Last year the Tache Municipal Council disregarded a referendum held in its community and attempted to construct a new sewage lagoon instead of renovating the existing one. The MTA exposed this abuse and made recommendations to the adjudicating Municipal Board which ruled in the end to uphold the referendum results.

7. Red tape review panel:

In its first-ever appointment to a government committee, the MTA was given a permanent seat in

1997 on the Red Tape Review Panel by Councillor John Angus. The committee was set up to identify and eliminate burdensome over-regulation that frustrates taxpayer dealings with Winnipeg City Hall.



8. Balanced Budget legislation:

Presented government with model legislation, and launched a media campaign followed by an election advertising campaign in support of balanced budget and taxpayer protection legislation. The legislation that passed is now the envy of taxpayers Canada wide.

9. Crown privatizations:

Encouraged the provincial government to expand the tax base by privatizing Crown corporations. Manitoba Telephone System, Queen's Printer, two mining companies and A.E. McKenzie Seeds have all been privatized over the past few years.



10. MLA pension plan reform:

A commission reviewing MLA compensation accepted several MTA recommendations including: abolition of tax exemptions on income, abolition of the clean office policy, cutting severance packages in half, and replacement of the MLA pension plan with a self-funded RRSP. These changes came into affect in April 1996.

11. Direct democracy reforms:

Drafted model legislation for provincial citizen-initiated referendums, and civic money by-laws. The MTA also presented money by-law proposals to the City of Winnipeg's Executive Policy Committee and twice to Winnipeg City Council in the Spring of 1996. The MTA is taking the opportunity provided by the opening in the Cuff Report to press City Council to adopt direct democracy reforms.

12. Education reform:

Presented a report to the Teacher Collective Bargaining Committee supporting the replacement of

binding arbitration with a referendum mechanism to resolve contract disputes, and further institute pay based on merit. The 1996 Dyck-Render report addressed tax-



payers' concerns by linking teacher salary increases to school divisions' ability to pay.

13. Salary disclosure:

The MTA has been actively pressing for full disclosure of all taxpayer-funded salaries. In May 1996, the Province announced salary disclosures for union officials and public employees earning over \$50,000.

14. Competition in government:

Pushed for cultural change within government by encouraging departments to save tax dollars and end spend-it-or-lose-it budgeting. There are now 11 "private-style" Special Operating Agencies in Manitoba, and contracting-out has become common in most ministries. Recently, the City of Winnipeg has also moved to adopt SOA-style departments.

15. No More Taxes campaign:

Helped stop a proposed billion dollar tax hike in the 1995 federal budget through a nationally coordinated "no more taxes" campaign. A rally held in Winnipeg was jam packed. The success of the campaign also impacted the provincial government which held the line on any major tax increases.

16. CPP reform:

A series of presentations were made to the government and other stakeholders in the spring of 1996, advocating the replacement of the CPP with a mandatory fully-funded retirement savings plan. The CTF continues to raise awareness on Ottawa's flawed CPP reform package.

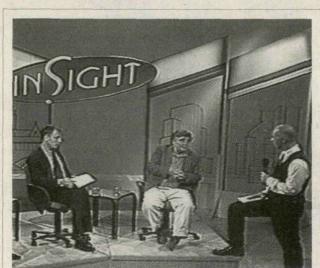
Freeing up Manitoba's Freedom of Information Laws

The MTA led a public relations offensive in the summer of 1997 with a group of journalists, civil rights groups,

and librarians to successfully head-off some Byzantine amendments to the *Freedom of Information Act*, which would have further restricted Manitobans' access to government information.

Manitoba's new freedom of information law is pushing Manitoba into the dark ages of information access. Despite amendments supported by the MTA, the government's changes to freedom of information will make Manitoba's "F.O.I." law among the worst in the land.

The new law extends F.O.I. to school boards and other public bodies, but it also makes key government documents difficult or impossible to access. For instance, the government can refuse to release information that is even tenuously con-



Victor Vrsnik (left), Provincial Director of the Manitoba Taxpayers Association, on Insight talkshow.

nected to Cabinet discussions, such as environmental assessments, and reports by consultants paid for by Manitoba

taxpayers.

After lobbying by the MTA and other groups, Culture Minister Rosemary Vodrey made some last-minute revisions before passing the changes into law. She cleaned up vague wording that would have allowed bureaucrats to deny access for undefined reasons. Minutes and agendas would also remain accessible owing to the changes.

Thanks in large part to the MTA, many restrictions were eliminated. The MTA will remain vigilant in defending the public's right to access information.

Summary of activities for 1996-97

Media Summary:

As of Jan. 1, 1995, the MTA recorded over 350 contacts in print, radio and TV media. As well as the following editorials in the Winnipeg Free Press: Referendum Takes Beating, March 27, 1996; Young Reject Tax Burden, May 28, 1996, Labour Reforms Favour Employees, July 10, 1996; New Taxes Not the Answer, Dec. 28, 1996; City Hydro Sale Makes Sense, Sept. 4, 1997.

Petitions:

The MTA continues to circulate petitions on the following: Municipal Taxpayer Protection, opposing the federal government's Canada Pension Plan reforms, and support for a federal Taxpayer Protection Amendment.

Committee presentations and position papers:

The MTA made the following presentations to government committees: Extending the Scope of Municipal Taxpayer Protection: Amendments to Bill 54, Oct., 1996; Comments on Bill 26: The *Labour Relations Amendment Act*, Oct., 1996; Putting "Intervention" in Context: Bill 32 (The Council for Post-Secondary Education Act), Oct., 1996; Public Disclosure Act, Oct.,

1996; Reintroduction of Money By-Laws Referenda in the City of Winnipeg, April, 1996; Councillor Benefits: Winnipeg City Council Presentation, March, 1997.

Speeches/Debates:

Over this past year, the MTA participated in a series of speaking engagements, panels and debates. Some include: Preventative Social Spending: Public Forum on Early Years Education on March 5, 1997; Charleswood Rotary Club 1997; Austin Chamber of Commerce; Effects of Debt on Social Spending (debate with Choices rep. Judy Waszylszia-Leis) St. Mary's Academy, 1996.

Reports:

The following reports were submitted by the MTA: "The devil is in the details: Report on the City of Winnipeg's Spending Overruns in 1995," January 7, 1997 and The Winnipeg Taxpayer's Hansard: A Sample of Winnipeg City Council's Voting Record,

Photo courtesy of Toronto Sun

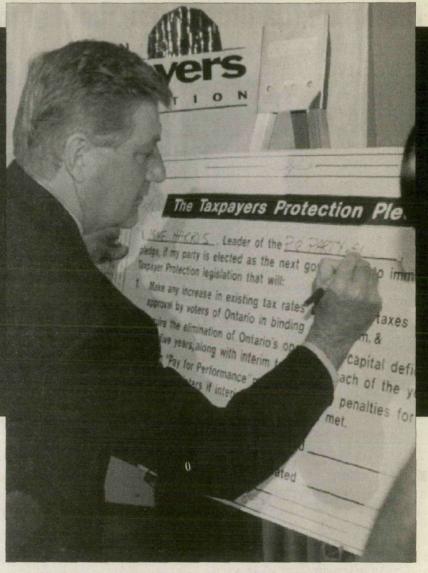
Important first step on road to taxpayer protection

he Canadian Taxpayers Federation (CTF) accomplished an important first step on the road to comprehensive taxpayer protection legislation for Ontario.

In conjunction with the 1995 provincial election, the CTF launched a province-wide campaign to pressure the leaders and candidates of all parties to agree in writing to pass tough tax limitation and deficit reduction legislation.

The draft legislation, presented by the CTF, would require the provincial government to balance its budget by 1996/97 and every year thereafter. Other features of the bill include:

☑ a legislated tax cap, which



would prevent increases in tax rates and the introduction of new taxes, unless approved in a binding referendum.

☑ a debt elimination period, requiring that the province's net debt be eliminated by 2022, 25 years after the budget is balanced.

strict reporting requirement on the government's progress toward deficit and debt elimination.

- In financial penalties for members of Cabinet if they fail to meet the Act's balanced budget requirement.
- ☑ provisions that would allow the government to relax the balanced-budget requirements in case of legitimate emergencies.

The objective of the campaign was to get Ontarians to insist that party leaders and candidates who

promised to balance the province's books and not raise taxes, sign the Taxpayers Protection Pledge before the election.

Out of the eight parties surveyed by the Federation, all but the governing NDP agreed that they would immediately pass a balanced budget law if elected. The Liberals and PCs, as well as most minor parties, indicated that they were prepared to lower taxes at the same time.

When it came time to make the commitment in writing, PC Leader Mike Harris was the only one of the three major party leaders to sign the pledge. In total, 168 candidates signed the pledge. In the three major parties, the numbers were Conservatives 129, Liberals 4, and NDP 0. The Conservatives were later victorious, giving taxpayers a written pledge with which to hold them accountable for a promise that is as yet unfulfilled.



This past spring, the CTF delivered 300,000 flyers to homes in Ontario promoting balanced budget legislation.



SUCCESS!

n October 22, 1994, several hundred people from across Ontario gathered at the Ontario Ratepayers Conference hosted by the Canadian Taxpayers Federation to learn more about the business of changing municipal government.

The one-day conference started with a presentation on understanding the new taxpayer culture. An overview was given of the taxpayer movement in Canada. As well, participants were shown how to bridge the gap between municipal governments and taxpayers, and how to become proactive, not reactive taxpayers.

Then, examples from around the world were given as to how local governments can save money by introducing competition and accountability structures into municipal government. Later, Charles Bens, a municipal researcher and consultant, spoke on bringing quality and cost effectiveness to municipal government.

A special section of the conference dealt specifically with the advantages of direct democracy. Andre Carrel, Administrator from Rossland, B.C., and Max Radiff, Mayor of Lindsay, Ontario, talked about how referenda benefit both taxpayers and politicians. Each highlighted their experiences with direct democracy in their communities, and a detailed description of citizen initiatives, what they are, how they work was presented.

Provincial politicians from the three major political parties were in attendance at the conference and a political panel discussion on amalgamation, disentanglement and downloading, and transfer payments was a highlight to attendees who were able to see the different approaches of the politicians to the problems facing Ontario.

Ontario CACCOMPLISHMENTS

1. Model taxpayer protection act

The CTF released model Taxpayer Protection legislation on May 4, 1994, and launched a province wide petition campaign calling on the government to implement taxpayer protection, putting reasonable limits on the provincial government's ability to borrow, tax and spend.

2. Ratepayer & municipal conference

Hosted a conference in Toronto for Ontario property taxpayers and municipal officials on October 22, 1994. Sessions dealt with how municipalities can better deliver services.

3. Debt clock tour

Launched a province-wide tour of the CTF debt clock from the steps of the Ontario Legislature in October 1994 which wound up in February 1995.

4. Pre-budget consultations

The CTF has made several presentations to the Standing Committees on Finance and Economic Affairs concerning provincial budgets.

5. Taxpayer protection legislation

Prior to the Ontario provincial election in 1995, the CTF launched a province-wide campaign to pressure political parties to agree in writing to pass tough tax limitation and deficit reduction legislation if elected. Only Conservative leader Mike Harris, who later won the election, signed the pledge.

6. Property tax reform

Lagainst the expensive and complicated actual value property tax assessment system supported by the Conservative government.

7. Education reports

The CTF undertook a number of studies on education, including teachers' salaries, pensions of

teaching and non-teaching staff, the unfunded liability in the teachers' pension fund and the implications of teachers running for school boards.

8. Premier Mike commits

Once elected, Premier Mike Harris announced that the CTF's top priorities - a balanced budget, taxpayer protection and an end to the MPP pension would be implemented by his government.

9. Retirement gratuities

In September 1995, the CTF released its study on retirement gratuities paid by Ontario School Boards.

10. Severance pay

The CTF made a presentation on severance packages to the Human Resources committee of Metro Separate School Board in Oct. 1995.

11. Education reform

Dresented a comprehensive submission to the On-

T tario School Board Reduction Task Force and participated in two conferences of the Ontario Public School Boards' Association on school board amalgamation



and the municipal/school board relationship. The CTF made a presentation in May 1996 on Bill 34 hearings on education reform, and participated in Ministry consultations on curriculum changes.

12. Taxpayer defence at Queen's Park

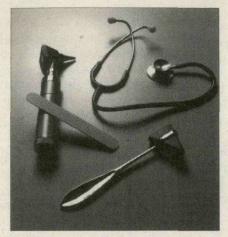
In the past two years, the CTF has been a frequent presenter on a variety of issues, ranging from the

Savings and Restructuring Act in January 1996 to the Education Quality Improvement Act in October 1997.

13. Sane health care reform ideas

In October 1997, the CTF released a paper calling for

an internal market within the Ontario Health Insurance Program to replace the degenerating Hospital Restructuring Commission process. The CTF presented



the paper informally at the 1997 PC Party's policy conference and actively lobbied for support.

14. MPPs' pensions

A fter continuing to highlight the need for MPP compensation reform, the lucrative MPP pension plan and "tax-free" allowances were scrapped by the Harris government.

15. Debt clock tour - round II

To highlight the countdown toward \$600 billion in federal debt, the CTF toured its debt clock through six southern Ontario communities in October 1997, speaking to citizens, elected officials and local media.

16. Leaders in direct democracy

The CTF has actively pushed for direct democracy reforms since 1995. Many elements of the draft initiative law were adopted by the Provincial Legislative Affairs Committee in its August 1997 proposals for an initiative, referenda and taxpayer protection law. Two parties in Queen's Park now support the use of initiatives as a tool for taxpayer input.

Pre-emptive reform: MPP pensions

Ontario proves that taxpayers can make a difference. The wave of taxpayer anger over rich pensions for provincial politicians spilled into Ontario in 1995.

With anger comes opportunity. Mike Harris, then leader of the PC Party of Ontario, pre-empted the drawn-out battles against rich pensions that had been fought further west. He came out and stated publicly that the gold-plated MPP pension plan wasn't "a real pension plan at all." Politicians make contributions that bear no relation to the cash payout they receive. The plan doesn't pay for itself and never has. He promised Ontarians that if they elected him Premier, the publicly-subsidized political pension would end.

On April 10, 1996, Harris, as Premier of Ontario, made good on that promise. Minister of Finance Ernie Eves introduced legislation that was a stunning victory for provincial taxpayers. He not only abolished the MPP pension plan and replaced it with a self-funding RRSP arrangement, but also eliminated hidden "tax-free" allowances thereby subjecting Ontario politicians to the same

taxes they impose on the public.

The new group-RRSP retirement savings plan will save the taxpayers of Ontario approximately \$1.5 million annually. Members elected after June 8, 1995, will not receive any benefits under the old "gold-plated" arrangement. Further, MPPs will receive a straight forward and fully taxable salary which makes their compensation transparent and understandable to the people who pay it. Finally, MPPs will no longer be paid tax-free extra money for committee work.

The legislation did fall short in protecting taxpayers from paying outrageous pensions to mem-

bers elected before the 1995 election. Nonetheless, it is a significant improvement over the previous plan. And with persistence and organization, the attack on tax-funded political perks can still roll farther east, to Ottawa, Quebec and the Maritimes. The anti-perk tide can rise more easily now that Canada's largest province is following the example set by angry taxpayers out west.

Ontquies debt clock tour

TF representatives took to the roads of southern Ontario to talk to people there about fiscal problems the federal government is trying hard to ignore. From October 5 to 8, 1997, Brian Kelcey, Provincial Director for Ontario, and Walter Robinson, Federal Director for the CTF, clocked over 300 kilometres with stops in St. Thomas, Tillsonburg, Woodstock, Kitchener, Guelph and Brantford.

The first stop on Monday, 9:00 am, was in Tillsonburg, where the federal debt registered \$601,795,138,888.89. Less than three hours later, in Woodstock, the clock showed the debt had climbed by \$5.7 million to \$601,800,851,254.48.

Kelcey spent this portion of the tour addressing public confusion about the differences between the two "d" words, deficit and debt. This confusion has led many people to mistakenly believe that because the federal government is nearing a balanced budget that the nation's fiscal problems have been corrected. "A deficit is an excess of expenditure over revenue in one year, while debt is the total liability of accumulated deficits," Kelcey said. "Victory over the deficit only

prevents the debt from growing. It does not address the billions in interest that continues to be paid on the \$600 billion."

Early Tuesday morning, Kelcey and Robinson appeared on CKGL 570 Talk Radio's morning show in Kitchener while the debt clock was set up outside the building. Fol-

lowing that, the clock was moved to the Stone Road Mall in Guelph, the largest mall in the city, where the clock held centre court until the shopping centre closed.

The second day of the tour was spent speaking about the benefits of repaying the national debt and the means to get that repayment started. Robinson said the key is to enact mandatory debt repayment targets such as those proposed in January 1996 by the CTF in its Taxpayer Protection Amendment.

"We've seen jurisdictions like Manitoba and Alberta legislate clear goals and make clear progress," he said. "A \$600-billion debt demands specific annual repayments targets." By forcing politicians to adhere to set targets, the temptation for politicians to overspend to gain public favour would be curbed Robinson said.

On Wednesday, the debt clock clicked away at Victoria Park in Brantford. Brian Kelcey took the opportunity to meet with local politicians, Ron Johnson, (Conservative MPP) and Mayor Chris Friel. Johnson and Friel were both helpful in discussing their particular level of government's action on larger issues that impact Brantford taxpayers - Johnson, on education alterna-

tives and the provincial debt, and Friel on downloading and municipal restructuring.

The tour prompted several media stories and hundreds of people were alerted to the severity of our federal debt - despite what you may have heard, the war is far from over.



TAXPAYER PROTECTION I FGISLATION

Planning ahead and working together has helped the Ca-

nadian Taxpayers Federation bring the detailed message of fiscal responsibility to some 300,000 households in Ontario.

When the 1997 federal election was looming on the political horizon, the CTF in Ontario wanted to focus the public's attention on the critical issues of protecting needed government programs while making sure

that taxpayers and the economy aren't penalized in the process.

Thanks to the generous support of overtaxed and angry Ontarians, CTF field representatives were able to accumulate donations for a special fund over a 10-month period. After several months of hard work, the money was in place to have a professionally designed brochure put together and mailed to 300,000 provincial households.

The brochure highlighted the problems associated with the \$46 billion a year the federal government currently pays sim-

ply to service our debt. It also showed how high levels of taxation are hurting the economy. Then, the brochure showed how the Canadian Taxpayers Federation has a plan for politicians to help correct the situation.



The brochure talked about the need for Taxpayer Protection Legislation. For instance, it explained a balanced budget requirement and showed the provinces that have al-

ready committed themselves to mandatory balanced budgets except in specific emergency circumstances. As well, an accountability provision was included in

> the legislation so that the Prime Minister and Cabinet would take pay cuts if the government overspent. Further, the brochure addressed the need for a debt paydown requirement and a voter approval requirement for tax increases.

> The efforts of the Ontario division helped to bring the message of fiscal responsibility during a federal election campaign where Canada's job killing debt and tax burden were all but ignored..

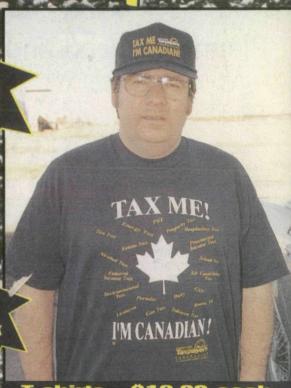
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T-shirts
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Large X Large XX Large (add \$3.00 for XX Large)

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2. Navy blue T-shirt: 100% preshrunk cotton

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